TARIFF APPLICABLE TO GAS SERVICE

OF

SPIRE GULF INC.

Original Volume 1

Superseding:

The Company’s tariffs effective December 1, 1995 and all subsequent revisions thereof.

Communications covering this tariff should be addressed to:

Rates and Regulations
Spire Gulf Inc.
2828 Dauphin Street
Mobile, Alabama 36606

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DEFINITIONS

Applicant:	Individual or entity who requests new gas service.
Btu:	British thermal units.
Commercial Service:	Service to customers engaged primarily in the sale of goods or services, including institutions and government agencies for uses other than those involving industrial or residential purposes.
Commission:	Alabama Public Service Commission
Company:	Spire Gulf Inc.
Consumption:	Gas Usage.
Curtailment:	Interruption of gas delivery required by insufficient gas supply.
Customer/Consumer:	Any individual, firm, organization, or governmental agency receiving gas service from the Company.
Degree Day:	Variance in average daily temperature from 65 degrees Fahrenheit.
Demand:	Customer's expected need for gas.
Developer:	An applicant for extension of Company's distribution system to permit the Company to serve residential, commercial, or industrial sites.
Extension Agreement:	An agreement between the Company and a Customer that sets out the terms and conditions of a gas main extension.
Gas Distribution Facilities:	The gas pipes owned and operated by the Company for the transportation of gas for delivery to customers.
Industrial Service:	Service to customers engaged primarily in a process which creates or changes raw or unfinished material into another form or product, including the generation of electric power.

DEFINITIONS

Point of Delivery: The outgoing side of the outlet union of Company's meter installed and maintained by the Company for the purpose of measuring gas delivered to Customer.

Residential Service: Service to customers which consists of direct natural gas usage in a residential dwelling for domestic purposes, including space heating, air conditioning, cooking, water heating, clothes drying, and other residential uses.

Service: Gas Service.

Tariff: The "Tariff Applicable to Gas Service of Spire Gulf Inc." as approved by the Alabama Public Service Commission and as amended and approved by the Alabama Public Service Commission from time to time.

THESE SHEETS HAVE BEEN LEFT BLANK
INTENTIONALLY FOR FUTURE EXPANSION

SPIRE GULF INC.

SCHEDULE OF RATES

Rate Schedule		12/01/25 Base Rates	SSI Rider	RSE Adjust. Factors	CCM Adjust. Factors	Commodity Charge Adjustment	Demand Charge Adjustment	Cast Iron Factor	Tax Adjustment Factor	Weather Impact Normalization Factor	Pipeline Safety Enforcement	Current Effective Rate
R-1	**Customer Charge**	$8.50	$0.04					$3.01			$0.05	$11.60
	Commodity Charge:											
	First 40 Therms	1.71988		0.00000	0.00666	0.14767	0.00800	0.16187	0.00000	0.14301		2.18709
	Over 40 Therms	1.63448		0.00000	0.00666	0.14767	0.00800	0.16187	0.00000	0.14301		2.10169
GS-2	**Customer Charge**	$16.30						$3.01			$0.05	$19.36
	Commodity Charge:											
	First 40 Therms	1.48265		0.00000	0.00446	0.14767	0.00800	0.16187	0.00000	0.08157		1.88622
	Next 960 Therms	1.39565		0.00000	0.00446	0.14767	0.00800	0.16187	0.00000	0.08157		1.79922
	Next 1000 Therms	1.35565		0.00000	0.00446	0.14767	0.00800	0.16187	0.00000	0.08157		1.75922
	Over 2000 Therms	1.28565		0.00000	0.00446	0.14767	0.00800	0.16187	0.00000	0.08157		1.68922
SS-1	**Customer Charge**	$16.30						$3.01			$0.05	$19.36
	Commodity Charge:											
	First 40 Therms	1.32134		0.00000	0.00347	0.14767	0.00800	0.16187	0.00000	0.09360		1.73595
	Next 960 Therms	1.23434		0.00000	0.00347	0.14767	0.00800	0.16187	0.00000	0.09360		1.64895
	Next 1000 Therms	1.19434		0.00000	0.00347	0.14767	0.00800	0.16187	0.00000	0.09360		1.60895
	Over 2000 Therms	1.12434		0.00000	0.00347	0.14767	0.00800	0.16187	0.00000	0.09360		1.53895
MH-5	**Customer Charge/Unit**	$2.80						$3.01			$0.05	$5.86
	All Therms	1.29717		0.00000	0.00502	0.14767	0.00800	0.16187	0.00000	0.13286		1.75259
CL-6	**Charge/Burner**	16.97408		0.00000	0.05712	2.36272	0.12800	5.59992	0.00000	0.00000	$0.05	$25.17184
NGV-1	**Customer Charge**	$16.30						$3.01			$0.05	$19.36
	All Therms	0.82664		0.00000	0.00189	0.14767			0.00000	0.00000		0.97620
CI-4	**Customer Charge**	$270.00						$3.01			$0.05	$273.06
	Commodity Charge:											
	First 10,000 Therms	1.12827		0.00000	0.00315	0.14767	0.00800	0.16187	0.00000	*		1.44896
	Next 20,000 Therms	1.11027		0.00000	0.00315	0.14767	0.00800	0.16187	0.00000	*		1.43096
	Over 30,000 Therms	1.07327		0.00000	0.00315	0.14767	0.00800	0.16187	0.00000	*		1.39396

* A WINF charge of $0.08974 per therm applies to Schools served under Rate Schedule CI-4.

SPIRE GULF INC.
SCHEDULE OF RATES

Rate Schedule		12/01/25 Base Rates	SSI Rider	RSE Adjust. Factors	CCM Adjust. Factors	Commodity Charge Adjustment	Demand Charge Adjustment	Cast Iron Factor	Tax Adjustment Factor	Weather Impact Normalization Factor	Pipeline Safety Enforcement	Current Effective Rate
I-12	**Customer Charge**	$270.00						$3.01			$0.05	$273.06
	Commodity Charge:											
	First 150,000 Therms	0.90622		0.00000	0.00201	0.14767			0.00000			1.05590
	Next 300,000 Therms	0.87922		0.00000	0.00201	0.14767			0.00000			1.02890
	Next 600,000 Therms	0.85922		0.00000	0.00201	0.14767			0.00000			1.00890
	Over 1,050,000 Therms	0.83422		0.00000	0.00201	0.14767			0.00000			0.98390
T-1	**Customer Charge**	$270.00						$3.01			$0.05	$273.06
	Transportation Charge:											
	First 150,000 Therms	0.09426		0.00000	0.00029				0.00000			0.09455
	Next 300,000 Therms	0.07936		0.00000	0.00029				0.00000			0.07965
	Next 600,000 Therms	0.06826		0.00000	0.00029				0.00000			0.06855
	Next 900,000 Therms	0.06326		0.00000	0.00029				0.00000			0.06355
	Over 1,950,000 Therms	0.06076		0.00000	0.00029				0.00000			0.06105
T-2	**Customer Charge**	$1,625.00						$3.01			$0.05	$1,628.06
	Transportation Charge:											
	All Therms	0.29442		0.00000	0.00128		0.00800	0.16187	0.00000			0.46557
T-4	**Customer Charge**	$16.30						$3.01			$0.05	$19.36
	Transportation Charge:											
	First 40 Therms	0.74915		0.00000	0.00230		0.00800	0.16187	0.00000			0.92132
	Next 960 Therms	0.64229		0.00000	0.00230		0.00800	0.16187	0.00000			0.81446
	Next 1000 Therms	0.59319		0.00000	0.00230		0.00800	0.16187	0.00000			0.76536
	Over 2000 Therms	0.50729		0.00000	0.00230		0.00800	0.16187	0.00000			0.67946
T-5	**Customer Charge**	$270.00						$3.01			$0.05	$273.06
	Transportation Charge:											
	All Therms	0.52815		0.00000	0.00188				0.00000			0.53003
T-6	**Customer Charge**	$270.00						$3.01			$0.05	$273.06
	Transportation Charge:											
	All Therms	0.56064		0.00000	0.00000		0.00800	0.16187	0.00000			0.73051

FIRM TRANSPORTATION SERVICE RATE T-6

AVAILABILITY:

Available to industrial and commercial customers with requirements of 75 MMBtu (750 therms) per day or more, who own and deliver gas to the Company at an acceptable point of connection with the company's facilities. Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Service Commission.

APPLICABILITY:

Service shall be to a single point of connection with the Company's distribution system, shall not be redelivered nor shared with others, and shall be subject, in the Company's sole judgment, to the operating and system requirements of the Company's distribution system.

RATE:

Customer Charge	Per month at the effective rate set forth on the current revision of Sheet No. 9.
For all consumption used per unit per month	Per therm at the effective rates set forth on the current revision of Sheet No. 9.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for Industrial and/or Commercial Gas Transportation Service.

BALANCING CHARGES:

The purpose of balancing charges is to insure that Company sales customers are not negatively or positively impacted by imbalances or other actions of transporters. Volumes of gas delivered directly to the Company by the Customer's gas supplier, transporter or agent which are not equal to the volumes redelivered to Customer shall be subject to the following balancing charges:

Transportation Purchased Gas Adjustment #1 (TPGA-1):

If the Company purchases system supply gas or uses storage gas to cover the excess of Customer's daily or monthly gas usage over its nominations for redelivery, then the customer shall be charged for its share of costs incurred by the Company through a TPGA-1 charge. Any imbalance charges, penalties or fees charged to the Company by any supplier or transporter which are attributed to a Customer's action or inaction, shall be billed to the customer through a TPGA charge.

FIRM TRANSPORATION SERVICE RATE T-6 (continued)

Transportation Purchased Gas Adjustment #2 (TPGA-2):

Customer actual usages in excess of or less than the Customer nominations will cause the Company to purchase or not purchase gas to correct these imbalances. The unit cost differential between the gas obtained or not obtained during a period to correct an imbalance and the gas in the subsequent period shall be applied to the accumulated imbalance to compute a TPGA-2 charge or credit to the Customer.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RESIDENTIAL SERVICE RATE R-1

AVAILABILITY:

Available to customers at points on Company's gas distribution facilities. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable to residences and individual family apartments. Service to more than one residence or individual family apartment shall not be combined, nor resold nor shared with others, but service shall be for the exclusive use of the customer contracting for service under this schedule.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 8.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RESIDENTIAL SERVICE RATE R-1 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE RIDER SSI:

The Rate Rider SSI approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TEMPERATURE ADJUSTMENT RIDER:

The Temperature Adjustment Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

GENERAL SERVICE RATE GS-2

AVAILABILITY:

Available to customers whose daily demand is less than 50 MMBtu (500 therms) for commercial customers and 10 MMBtu (100 therms) for industrial customers at points on Company's gas distribution facilities. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable to commercial or industrial establishments. Service to more than one commercial or industrial establishment shall not be combined, nor resold nor shared with others, but service shall be for the exclusive use of the customer contracting for service under this schedule.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 8.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date becomes delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

GENERAL SERVICE RATE GS-2 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TEMPERATURE ADJUSTMENT RIDER:

The Temperature Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABLIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

LARGE COMMERCIAL AND INDUSTRIAL SERVICE RATE CI-4

AVAILABILITY:

Available to commercial or industrial customers at points on Company's distribution facilities of adequate capacity and suitable pressure. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable to commercial or industrial customers who will contract for the service for at least one year. This service is not applicable to single or multiple dwelling units nor is it to be resold nor shared with others, but service shall be for the exclusive use of the customer contracting for service under this schedule. All gas service shall be supplied at one point of measurement.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 8.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date becomes delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for Industrial and/or Commercial Gas Service.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

LARGE COMMERCIAL AND INDUSTRIAL SERVICE RATE CI-4 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TEMPERATURE AND ADJUSTMENT RIDER:

The Temperature Adjustment Rider approved, by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABLIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

MULTIPLE HOUSING UNITS RATE MH-5

AVAILABILITY:

Available to customers at points on Company's gas distribution facilities of adequate capacity and suitable pressure. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission

APPLICABILITY:

Applicable when the Company services through a single meter installation a multiple dwelling housing development consisting of four or more units.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 8. The Customer Charge shall be multiplied by the number of individual dwelling units to which gas is available.
For all consumption used per unit per month	Per therm at the currently effective rate set forth on the current revision of Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

PURCHARGED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

MULTIPLE HOUSING UNITS RATE MH-5 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TEMPERATURE ADJUSTMENT RIDER:

The Temperature Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABLIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

INTERRUPTIBLE INDUSTRIAL SERVICE RATE 1-12

AVAILABILITY:

Available to industrial customers whose daily contract demand is 10 MMBtu (100 therms) or more. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission. It is understood by the party contracting for this service under this rate schedule that the part is included in Service Priority 5 of the Curtailment Plan. The customer must curtail all gas usage within one hour after notification by Company or be subject to overrun payments of $10.00 per MMBtu (10 therms) or costs incurred by the Company, whichever is higher.

APPLICABILITY:

Applicable to industrial customers who will contract for the service for at least one year. This service is not applicable to single or multiple dwelling units nor to be resold nor shared with others, but service shall be for the exclusive use of the customer contracting for service under this schedule. All gas service shall be supplied at one point of measurement.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 9.
For all consumption used per unit per month	Per therms at the currently effective rates set forth on the current revision of Sheet No. 9.

MINIMUM MONTHLY BILL:

$5.00 times the MMBtu of hourly contract demand.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for industrial and/or Commercial Gas Service.

INTERRUPTIBLE INDUSTRIAL SERVICE RATE 1-12 (continued)

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABLIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

COMMERCIAL LIGHTING RATE CL-6

AVAILABILITY:

Available to customers at points on Company's gas distribution facilities. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable only for gas lighting for commercial establishments, municipal usage, and civic organizations where the use of gas meters would not be practical. This rate is applicable only for gas burners of two cubic feet per hour or less which meet the company's specifications.

RATE:

All the currently effective rate set forth on the current revision of Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date becomes delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part thereof.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

COMMERCIAL LIGHTNING RATE CL-6 (continued)

CAST IRON MAIN REPLACEMENT FACTOR:

The cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

INDUSTRIAL TRANSPORTATION SERVICE RATE T-1

AVAILABILITY:

Available to large industrial customers with requirements of 200 MMBtu (2,000 therms) per day or more who own and deliver gas to the Company at an acceptable point of connection with the Company's facilities.

APPLICABILITY:

Service shall be to a single point of connection with the company's distribution system, shall not be resold nor redelivered nor shared with others, and shall be subject, in the Company's sole judgment, to the operating and system requirements of the Company's distribution system. Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Public Service Commission.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 9.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of Sheet No. 9.

MINIMUM BILL:

$2,850.00 per month

PAYMENT

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for Industrial and/or Commercial Gas Transportation Service.

BALANCING CHARGES:

The purpose of balancing charges is to insure that Company sales customers are not negatively or positively impacted by imbalances or other actions of transporters. Volumes of gas delivered directly to the Company by the customer's gas supplier, transporter or agent which are not equal to the volumes redelivered to Customer shall be subject to the following balancing charges:

INDUSTRIAL TRANSPORTATION SERVICE RATE T-1 (continued)

Transportation Purchased Gas Adjustment #1 (TPGA-1):

If the Company purchases system supply gas or uses storage gas to cover the excess of Customer's daily or monthly gas usage over its nominations for redelivery, then the Customer shall be charged for its share of costs incurred by the Company through a TPGA-1 charge. Any imbalance charges, penalties or fees charged to the Company by any supplier or transporter which is attributed to a Customer's action or inaction, shall be billed to the Customer through a TPGA-1 charge.

Transportation Purchased Gas Adjustment #2 (TPGA-2):

Customer actual usages in excess of or less than the Customer nominations will cause the Company to purchase or not purchase gas to correct these imbalances. The unit cost differential between the gas obtained or not obtained during a period to correct an imbalance and the gas in the subsequent period shall be applied to the accumulated imbalance to compute a TPGA-2 charge or credit to the Customer.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TRANSPORTATION SERVICE RATE T-2

AVAILABILITY:

Availability to large industrial and large commercial customers with requirements of 200 MMBtu (2,000 therms) per day or more, served under the Company's CI-4 or any superseding rate schedule, who own and deliver gas to the Company at an acceptable point of connection with the Company's facilities. Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Service shall be to a single point of connection with the Company's distribution system, shall not be redelivered nor shared with others, and shall be subject, in the Company's sole judgment, to the operating and system requirements of the Company's distribution system.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 9.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of Sheet No. 9.

MINIMUM BILL:

$5,000.00 per month

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for Industrial and/or Commercial Gas Transportation Service.

BALANCING CHARGES:

The purpose of balancing charges is to insure that Company sales customers are not negatively or positively impacted by imbalances or other actions of transporters. Volumes of gas delivered directly to the Company by the Customer's gas supplier, transporter or agent which are not equal to the volumes redelivered to Customer shall be subject to the following balancing charges.

Transportation Purchased Gas Adjustment #1 (TPGA-1)

TRANSPORTATION SERVICE RATE T-2 (continued)

If the Company purchases system supply gas or uses storage gas to cover the excess of Customer's daily or monthly gas usage over its nominations for redelivery, then the Customer shall be charged for its share of costs incurred by the Company through a TPGA-1 charge. Any imbalance charges, penalties or fees charged to the Company by any supplier or transporter which are attributed to a Customer's action or inaction, shall be billed to the customer through a TPGA-1 charge.

Transportation Purchased Gas Adjustment #2 (TPGA-2)

Customer actual usages in excess of or less than the Customer nominations will cause the Company to purchase or not purchase gas to correct these imbalances. The unit cost differential between the gas obtained or not obtained during a period to correct an imbalance and the gas in the subsequent period shall be applied to the accumulated imbalance to compute a TPGA-2 charge or credit to the Customer.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is mad a part hereof.

TAX ADJUSTMENT RIDER

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

COMMERCIAL TRANSPORTATION SERVICE RATE T-4

AVAILABILITY:

Available to large commercial customers served under the Company's T-2 or any superseding rate schedule who request transportation to all additional contiguous meters provided by the Company on the site of service proved by the T-2 meter and such service is agreed to by the Company. Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable to each additional contiguous meter of commercial transportation customers converting from sales to transportation service on all additional contiguous meter locations at one site. Such service shall not be resold nor redelivered nor shared with others, and shall be subject in the Company's sole judgment, to the operating and system requirements of the Company's distribution system.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 9.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of sheet No. 9.

BALANCING CHARGES:

The purpose of balancing charges is to insure that Company sales customers are not negatively or positively impacted by imbalances or other actions of transporters. Volumes of gas delivered directly to the Company by the Customer's gas supplier, transporter or agent which are not equal to the volumes redelivered to Customer shall be subject to the following balancing charges:

Transportation Purchased Gas Adjustment #1 (TPGA-1):

If the Company purchases system supply gas or uses storage gas to cover the excess of Customer's daily or monthly gas usage over its nominations for redelivery, then the Customer shall be charged for its share of costs incurred by the Company through a TPGA-1 charge. Any imbalance charges, penalties or fees charged to the Company by any supplier or transporter which are attributed to a Customer's action or inaction, shall be billed to the Customer through a TPGA-1 charge.

COMMERCIAL TRANSPORTATION SERVICE RATE T-4 (continued)

Transportation Purchased Gas Adjustment #2 (TPGA-2):

Customer actual usages in excess of or less than the Customer nominations will cause the Company to purchase or not purchase gas to correct these imbalances. The unit cost differential between the gas obtained or not obtained during a period to correct an imbalance and the gas in the subsequent period shall be applied to the accumulated imbalance to compute a TPGA-2 charge or credit to the Customer.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STAGILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalizations Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

NATURAL GAS VEHICLE CONTRACT RATE NGV-1

AVAILABLILITY:

Available to all customers at points on Company's distribution facilities of adequate capacity and suitable pressure. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission. It is understood by the party contracting for this service under this rate schedule that the party is included in Service Priority 5 of the Curtailment Plan. The Customer must curtail all gas usage within one hour after notification by Company or be subject to overrun payments of $10.00 per MMBtu (10 therms) or costs incurred by the Company, whichever is higher.

APPLICABILITY:

Application to all customers for use as a vehicle fuel. Service shall be to a single point of connection or sub-metered from an existing service, and shall be subject, in the Company's sole judgment, to the operating and system requirements of the Company's distribution system.

RATE:

Customer Charge	Per month at the currently effective rate set forth on the current revision of Sheet No. 8.
For all consumption used per unit per month	Per therm at the currently effective rates set forth on the current revision of Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

A customer planning to purchase gas for use as a vehicle fuel must sign a contract for Natural Gas Vehicle Service.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

NATURAL GAS VEHICLE CONTRACT RATE NGV-1 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

SCHOOL SERVICE RATES SS-1

AVAILABILITY:

Available to school customers, as defined below, at points on Company's gas distribution facilities. Service under this schedule is subject to the current curtailment plan as approved by the Alabama Public Service Commission.

APPLICABILITY:

Applicable to schools, both public and private that exist for the purpose of educating children of kindergarten, elementary, middle or high school age, along with associated administrative offices. Service to more than one school or educational facility shall not be combined, not resold nor shared with others, but service shall be for the exclusive use of the customer contracting for service under this schedule. For purposes of this tariff, a day-care or a residence in which a child is home-schooled is not considered an educational facility and is not eligible for Rate SS-1.

RATE:

Customer Charge	Per month at currently effective rate set forth on the current revision of Sheet No. 8.
For all consumption used per unit per month	Per therm at the currently effective rate set forth on the current revision of Sheet No. 8.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

PURCHASED GAS ADJUSTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

SCHOOL SERVICE RATE SS-1 (continued)

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFE ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TEMPERATURE ADJUSTMENT RIDER:

The Temperature Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALIZATION FACTORS:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, are applicable to the rate schedule and are made a part hereof.

ENHANCED STABILITY RESERVE

(1) Funding of Reserve

a) In conjunction with the company adopting a Rate Stabilization and Equalization (RSE) ratesetting mechanism effective October 1, 2002, the Company is authorized to establish an Enhanced Stability Reserve (ESR). The Company shall record in total, effective October 1, 2001, $1,000,000 (the "Initial Reserve Balance") and shall recover the Initial Reserve Balance from ratepayers up to an amount in any one year not to exceed one-third of the Initial Reserve Balance beginning October 1, 2002.

b) The Maximum Reserve Balance at any time shall be $2,000,000.

c) The Company is authorized to make monthly accruals to the ESR in an amount of no more than $15,000 per month (the "Monthly Accrual") beginning the first month of any fiscal year after a fiscal year in which the Company has drawn from the ESR for one of the authorized purposes described in paragraph (2) below. Such Monthly Accruals will continue until the ESR balance reaches the Initial Reserve Balance adjusted for any reserve funding provided by paragraph (1)(d) but not to exceed the Maximum Reserve Balance. Monthly Accruals and expenses associated with the funding of the Initial Reserve Balance will not be included in O&M expense for purposes of the Cost Control Measurement calculation required under the provisions of the Company's RSE tariff.

d) In the event the Company realizes a non-recurring revenue in-flow that generates funds that would result in the Company exceeding the Equity Return Range for the fiscal year as defined in the tariff, the Company may submit to the Commission an application requesting that such economic windfall be utilized in total or in part to fund the ESR up to the Maximum Reserve Balance.

e) In the event that as a result of charges against the ESR, the ESR balance drops to a level that the Company deems inadequate, the Company may file an application requesting a temporary increase in the Monthly Accrual amount to restore the ESR balance to the Initial Reserve Balance adjusted for any reserve funding provided by paragraph (1)(d) but not to exceed the Maximum Reserve Balance in a reasonable time period.

(2) Use of Reserve

a) In the event that at the end of the company's fiscal year the Company's Return on Equity is below the range authorized by the Commission, the Company may charge against the ESR the full amount of any negative individual large industrial budget revenue variance that exceeds $100,000.

ENHANDED STABILITY RESERVE (continued)

b) The Company may charge against the ESR the full amount of incremental extraordinary O&M expenses that result from either (I) a single force majeure event that results in more than $100,000 of additional O&M expenses or (II) a combination of two such events that together result in more than $150,000 of additional O&M expenses. The Company will assign a work order number to each such force majeure event for the purpose of accumulating costs and to provide a basis for Commission review. At the end of the Company's fiscal year, such work orders that qualify to be charged against the ESR will, at the Company's election, be charged to either O&M expense or to the ESR. Any work order remaining open at the end of a fiscal year will be carried over to the next fiscal year and charged to either O&M expense or to the ESR in the year in which the work order is closed.

c) The Commission Staff will monitor accruals to, and charges against, the ESR to assure compliance with the ESR tariff.

i) Within one month following the end of the company's fiscal year, the Company will provide a written report to the Commission's Energy Division, Advisory Division and to the Attorney General's Office that details changes made to the ESR during the previous fiscal year, including both charges against the ESR and contributions to the ESR.

ii) When it is determined that an event has occurred, the Company shall provide the Commission's Energy Division, Advisory Division and the Attorney General's office with a written notice describing the event. In addition, when it is determined that charges will be made against the ESR, the Company shall provide written notice to the Commission's Energy Division and the Attorney General's Office.

iii) At the end of the company's fiscal year, the Commission Staff and the Attorney General's Office will review the operation of the ESR to determine whether any modifications need to be made.

d) The language contained in the Tariff Pages describing the Enhanced Stability Reserve shall not be modified or amended without the expressed, written approval of the Alabama Public Service Commission. The Tariff language describing the Enhanced Stability Reserve as it may be amended from time to time, shall take precedence over conflicting language contained in any other agreement, document or order.

INTERRUPTIBLE TRANSPORTATION SERVICE RATE T-5

AVAILABILITY:

Available to industrial customers with requirements of 75 MMBtu (750 therms) per day or more who own and deliver gas to the Company at an acceptable point of connection with the Company's facilities.

APPLICABILITY:

Service shall be to a single point of connection with the Company's distribution system, shall not be resold nor redelivered nor shared with others, and shall be subject, in the Company's sole judgment, to the operating and system requirements of the Company's distribution system. Service under this schedule is subject to the current Curtailment Plan as approved by the Alabama Public Service Commission.

RATE:

Customer Charge	Per Month at the effective rate set forth on the revision of Sheet 9.
For all consumption used per unit per month	Per therm at the effective rates set forth on the current revision of Sheet No. 9.

PAYMENT:

Bills for service rendered hereunder are due on the date of the bill and payable within ten days from due date, and if not paid within ten days after due date become delinquent and are subject to charges as set forth in the Rules and Regulations of the Alabama Public Service Commission.

CONTRACT TERMS:

Not less than one year as prescribed by standard contract for Industrial and/or Commercial Gas Transportation Service.

BALANCING CHARGES:

The purpose of balancing charges is to insure that Company sales customers are not negatively or positively impacted by imbalances or other actions of transporters. Volumes of gas delivered directly to the Company by the Customer's gas supplier, transporter or agent which are not equal to the volumes redelivered to Customer shall be subject to the following balancing charges:

INTERRUPTIBLE TRANSPORTATION SERVICE RATE T-5 (continued)

Transportation Purchased Gas Adjustment #1 (TPGA-1):

If the Company purchases system supply gas or uses storage gas to cover the excess of Customer's daily or monthly gas usage over its nominations for redelivery, then the Customer shall be charged for its share of costs incurred by the Company through a TPGA-1 charge. Any imbalance charges, penalties or fees charged to the Company by any supplier or transporter which is attributed to a Customer's action or inaction, shall be billed to the Customer through a TPGA-1 charge.

Transportation Purchased Gas Adjustment #2 (TPGA-2):

Customer actual usages in excess of or less than the Customer nomination will cause the Company to purchase or not purchase gas to correct these imbalances. The unit cost differential between the gas obtained or not obtained during a period to correct an imbalance and the gas in the subsequent period shall be applied to the accumulated imbalance to compute a TPGA-2 charge or credit to the Customer.

PURCHASED GAS ADJSUTMENT RIDER:

The Purchased Gas Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

TAX ADJUSTMENT RIDER:

The Tax Adjustment Rider approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

PIPELINE SAFETY ENFORCEMENT:

The Pipeline Safety Enforcement fee approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

CAST IRON MAIN REPLACEMENT FACTOR:

The Cast Iron Main Replacement Factor approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RATE STABILIZATION AND EQUALICATION:

The Rate Stabilization and Equalization Factors (RSE) tariff provision approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

RULES AND REGULATIONS FOR GAS SERVICE:

The Rules and Regulations for Gas Service approved by the Alabama Public Service Commission, and as amended from time to time, is applicable to this rate schedule and is made a part hereof.

SPECIAL RULES GOVERNING COMPETITIVE FUEL CLAUSE OF
RATE SCHEDULES GS-2, CI-4, 1-12, T-1, AND SPECIAL CONTRACTS

AVAILABILITY:

These rules shall apply to adjustments under the Competitive Fuel Clause of Rate Schedules GS-2, CI-4, I-12, T-1, and Special Contracts. Consumers on Rate Schedule GS-2 are required to have an average monthly non-space heating usage of 400 therms or more as determined by the consumer's twelve months of billing history preceding the Consumer's request for Competitive Fuel Clause to be eligible for Competitive Fuel Clause; there shall be periodic reviews thereafter, with a review occurring at least annually on the anniversary of the CFC agreement.

EFFECTIVENESS:

Rate adjustments made under the Competitive Fuel Clause of Rate Schedules GS-2, CI-4, 1-12, T-1, and Special Contracts shall be effective upon execution by the Company and the Consumer of a letter agreement amending the Contract for Gas Service between the Company and the Consumer.

PROCEDURE:

1. Consumer purchased gas under Rate Schedules GS-2, CI-4, 1-12, T-1, and Special Contracts who have determined they can purchase forms of energy or transport gas at a lower equivalent cost than under the present price being paid to the Company, and who desire to have the price at which they are purchasing or transporting gas from the Company to the Consumer adjusted to be competitive with alternate energy sources, shall notify the Company in writing concerning the availability of such energy source. The Consumer shall include with such notice a form provided by the Company stating the availability of such alternate form of energy, the base cost thereof, transportation cost and utilization cost including the ownership cost of new alternate energy equipment if required. Such form is to be signed by an officer of the Consumer.

2. The company shall notify the Consumer within (5) working days of such notice, or within 60 days if new alternate energy equipment is contemplated by the Consumer, as to whether it shall agree to the gas price adjustment requested by the Consumer or offer an alternate rate. Failure of the Company to notify the Consumer of its acceptance of rejection of such request shall constitute a rejection thereof.

3. If at any time the Company's allocated cost of gas increases for the Consumer, the Company will notify the Consumer and the Company shall have the right to increase its cost of gas to the Consumer with appropriate tax adjustments. If the Consumer rejects the increased cost then the Company shall have the right to terminate the Competitive Fuel Clause Amendment.

SPECIAL RULES GOVERNING COMPETITIVE FUEL CLAUSE OF
RATE SCHEDULES GS-2, CI-4, 1-12, T-1, AND SPECIAL CONTRACTS (continued)

4. No adjustment shall be made under a Competitive Fuel Clause sales agreement that results in a price to the consumer lower than the Company's commodity cost of gas plus 5 cents per MMBtu plus applicable gross receipts taxes. No adjustment will be made to transportation rates which result in a price to the Consumer less than 5 cents per MMBtu plus applicable gross receipts taxes.

5. In the event that the Company reduces its rates to a Consumer or Consumers under the Competitive Fuel Clause for rates GS-2, CI-4, I-12, T-1, or Special Contracts, the margin lost by such action shall be recovered through the commodity charge of the Company's purchased gas adjustment.

SSI RATE RIDER
SUPPLEMENTAL SECURTITY INCOME AND/OR
MEDICAID FOR LOW-INCOME FAMILIES

AVAILABILITY:

This rider is available to residential customer served by the Company's gas distribution facilities.

APPLICABILITY:

This schedule is applicable as a rider to Rate Schedule R-1 (Residential Gas Service) for existing customers of the Company who have been served under Rate Schedule R-1 for the three (3) most recent months and, after written application to the Company, are certified by the Alabama Medicaid Agency as having a household member who is a current recipient of Supplemental Security Income (SSI) and/or Medicaid for Low-Income Families (MLIF).

MONTHLY RATE:

The monthly charge of Rate Schedule R-1 shall not be billed to customers served under this rider. Once satisfactory application and certification has been made, the customer charge shall be waived starting with the next bill rendered. The customer charge shall continue to be waived as long as any household member is a recipient of SSI and/or MLIF Benefits. The revenue lost from waiving the customer charge for SSI and MLIF recipients will be added to the customer charge of Rate Schedule R-1. Any under or over recovery of such lost revenue attributed to application of the SSI rider shall be passed through to customers through subsequent calculations of the SSI Rider.

CAST IRON MAIN REPLACEMENT FACTOR

PURPOSE:

To provide recovery of the cost of service resulting from the Company's replacement of cast iron mains and associated services where such costs have not otherwise been recovered through Rate RSE or otherwise under another provision of the Company's Tariff. Cast iron main replacement (CIMR) costs, as defined herein, shall include costs related to the replacement of cast iron mains including, but not limited to: pipe and related appurtenances, regulators, services, service risers, excess flow valves, permits, local government required inspections, and surface remediation. Notwithstanding anything in the FERC System of Accounts (or any other system of accounts that may be prescribed by the Commission for use by the Company) to the contrary, all CIMR costs eligible for recovery through the CIMR Factor shall be capitalized for both rate making and book purposes.

APPLICABILITY:

Applicable to all rate schedules of the Company and to negotiated contract rates as applicable.

APPLICATION OF CIMR FACTOR:

Monthly bills shall be adjusted by the CIMR Factor calculated with the formula set out below effective December 1, 1995 and each December 1 thereafter.

CAST IRON MAIN REPLACEMENT FACTOR FORMULA:

CIMR Factor will be calculated as follows:

CIMR Gross Revenue Requirement equal to:
$[((A+B-C) \times D/2) + ((E+F-G) \times D) + ((A \times H)/2) + (B \times I)/2 + ((E-J) \times H) + ((F-K) \times I)] / (1-L)$

Where,

A = Baseline Plant Additions for CIMR for fiscal year budget/actual with budget approved by the Company's Board of Directors. The term "Baseline Plant Additions" as used herein is defined as CIMR costs for the post 9/30/13 retirement of up to ten (10) miles of cast iron mains in a single fiscal year computed on an average basis while Cumulative Gross Baseline Plant Additions shall include CIMR costs recovered under this rider from 3/31/01 through 9/30/13. If the remaining cast iron mains in the Company's distribution system exceeds 6 miles at the beginning of the fiscal year and the Company completes less than 6 miles of cast iron main replacement in the fiscal year, the CIMR costs for that year's plant additions shall be excluded from the CIMR factor in that year and in subsequent years. No plant additions that occur after September 30, 2019 shall be added to Baseline Plant Additions.

B = Above Baseline Plant Additions for CIMR for fiscal year budget/actual with budget approved by the Company's Board of Directors, shall include CIMR costs for the post 9/30/13 retirement of cast iron mains in excess of ten (10) miles in a single fiscal year computed on an average basis. No plant additions that occur after September 30, 2019 shall be added to Above Baseline Plant Additions.

C = CIMR Retirements for fiscal year budget/actual. No plant retirements that occur after September 30, 2019 shall be reflected in the CIMR Factor.

D = Current Applicable Depreciation Rate or Rates

CAST IRON MAIN REPLACEMENT FACTOR (continued)

E = Cumulative Gross Baseline Plant Additions for CIMR recovered under this rider since 3/01/01 through 9/30/19

F = Cumulative Gross Above Baseline Plant Additions for CIMR since 10/01/13 through 9/30/19

G = Sum of Cumulative CIMR Retirements included in this rider from 3/01/01 through 9/30/13 plus cumulative CIMR retirements since 10/01/13 through 9/30/19

H = Before Tax Weighted Average Cost of Capital, as allowed by APSC in the Company's Rate RSE filing for the current fiscal year

I = Incentive Factor defined herein as the before tax weighted average cost of capital computed using the equity return and debt cost percentages as allowed by the APSC in the Company's Rate RSE filing for the current fiscal year with a capital structure consisting of 75% equity and 25% debt

J = Accumulated Depreciation on CIMR Baseline Plant Additions recovered through this rider

K = Accumulated Depreciation on CIMR Above Baseline Plant Additions recovered through this rider

L = Combined Revenue Tax and APSC percentages (%s) referred to also as Gross Receipts Taxes

The CIMR Gross Revenue Requirement shall be adjusted for the accumulated over/under recovered balance from operation of this rider as of September 30 preceding the effective date to render the CIMR Net Revenue Requirement which shall be allocated for recovery purposes 30% on a fixed charge basis and 70% on a firm volumetric basis using the Company's budget bill count and firm volumes for the then current fiscal year as follows:

CIMR Factor on Customer Charge = CIMR Net Revenue Requirement x .30 / budget bill count

CIMR Factor on Firm Volumes = CIMR Net Revenue Requirement x .70 / budget firm volumes

Incentive Revenue under this rider will not be included in revenue for purposes of calculating regulated revenue for book or ratemaking purposes under Rate RSE or under any other calculation of the Company's regulated revenue requirement.

CAST IRON MAIN REPLACEMENT FACTOR (continued)

The following form will be updated by the Company each year and forwarded to the Alabama Public Service Commission Energy Division

Line #		Ref.	Budget Fiscal Year 20xx		Actual Fiscal Year 20xx	
1	Cast Iron Main Retirement Miles included in Baseline Plant Additions					
2	Cast Iron Main Retirement Miles included in Above Baseline Plant Additions					
3	Cast Iron Main Retirement Miles Total			*		*
4	Baseline Plant Additions for CIMR	A	$		$	
5	Above Baseline Plant Additions for CIMR	B	$		$	
6	CIMR Retirements	C	$		$	
7	Depreciation Rate for Applicable Plant	D		%		%
8	Cumulative Gross Baseline Plant Additions for CIMR since 3/01/01	E	$		$	
9	Cumulative Gross Above Baseline Plant Additions for CIMR since 10/01/13	F	$		$	
10	Cumulative CIMR Retirements since 3/01/01	G	$		$	
11	Before Tax Weighted Average Cost of Capital as allowed by APSC	H		%		%
12	Incentive Factor	I		%		%
13	Accumulated Depreciation on CIMR Baseline Additions	J	$		$	
14	Accumulated Depreciation on CIMR Above Baseline Additions	K	$		$	
15	CIMR Revenue Requirement before gross receipts taxes		$		$	
16	1 Minus Gross Receipts Taxes %	L		%		%
17	CIMR Gross Revenue Requirement		$		$	
18	Accumulated (Over) Under Collection as of preceding 9/30		$		$	
19	CIMR Net Revenue Requirement		$		$	
20	CIMR Collections				$	
21	Accumulated (Over) Under Collected CIMR Factor (line 19 - 20)				$	
22	Percent Recovered through Customer Charge			%		
23	Dollars Recovered through Customer Charge (line 19 x 22)		$			
24	Budget Bill Count		$			
25	CIMR Factor included in Customer Charge (line 23 / 24)		$			
26	Percent Recovered through Volumetric Charge			%		
27	Dollars Recovered through Volumetric Charge (line 19 x 26)		$			
28	Budget Firm Volumes (in therms)					
29	CIMR Factor included in Firm Volumetric Charge (line 27 / 28)		$			

* If less than 6 miles, no recovery of current year additions through CIMR Factor unless remaining cast iron mains at the beginning of year was less than 6 miles.

WEATHER IMPACT NORMALIZATION FACTOR

PURPOSE:

The charges to Customers served under applicable rate schedules will be adjusted by an amount designed to assure that those customers are not over or under charged for the non-gas portion of the Company's rates as a result of the occurrence of Heating Degree Days in excess or deficient of Normal Heating Degree Days.

APPLICABILITY:

Applicable to Customers served under Rate Schedules R-1 (Residential Gas Service), GS-2 (Small Commercial), MH-5 (Multiple Housing), and Schools served under Rate Schedules SS-1 and CI-4. The Weather Impact Normalization Factor (WINF) shall be applied to customers' bills during the Adjustment Period beginning July 1 and ending the following June 30 based on the computed margin revenue excess or deficiency resulting from differences between actual and normal temperatures as measured by Heating Degree Days during the preceding Winter Period and cumulative balances remaining from prior Winter Periods.

DETERMINATION OF THE WINF:

During each month of the Winter Period, defined as November through April, a calculation shall be made that determines the level by which margin revenues differed from what would have resulted if normal temperatures occurred. The computed margin revenue excess or deficiency, net of applicable revenue taxes, shall be recorded as a regulatory balance and credited or charged to customers through operation of this Factor. The monthly margin revenue excess or deficiency shall be computed for each billing cycle in the month by customer by multiplying a Usage Adjustment by the applicable margin rate(s). The Usage Adjustment will be computed for each customer by multiplying the heating degree day variance from normal by the quotient of each customer's actual therms used less their average usage of the previous June, July, August and September (the Baseload usage), divided by the actual heating degree days, as set forth in the form below:

$$\textbf{USAGE ADJUSTMENT} = \left(\frac{\text{Normal Degree Days} - \text{Actual Degree Days}}{}\right) \times \frac{\left(\text{Actual therms} - \text{Base Load therms}\right)}{\text{Actual Degree Days}}$$

Rate Schedule R-1 customers whose Baseload cannot be accurately determined shall use the current Baseload average for Residential General customers and zero for Residential Heating Only customers. Rate GS-2, MH-5, CI-4 and SS-1 customers whose Baseload cannot be accurately determined shall be excluded from calculations used to determine the margin revenue excess or deficiency. The Baseload for Schools shall be determined by the month of September usage.

WEATHER IMPACT NORMALIZATION FACTOR (continued)

Margin rates used in the computation of the margin revenue excess or deficiency by customer shall be determined by subtracting from the currently effective rate, the cost of gas and related revenue taxes contained in the base rates, purchased gas adjustments (PGA), the Cast Iron Main Replacement Factor (CIMRF), the Tax Adjustment Factor (TAF) and the Weather Impact Normalization Factor (WINF). Margin rates shall be calculated in the form shown below:

Margin Rate = Effective rate – (cost of gas and related revenue taxes in base rates + PGA+CIMRF+TAF+WINF)

Forty percent (40%) of the accumulated margin revenue excess or deficiency by rate type as of April 30 computed by operation of this Factor shall be credited or charged to applicable customers over 12 months beginning July 1, the Adjustment Period, on a per therm basis calculated by dividing 40% of the regulatory balance by rate type grossed-up for applicable revenue taxes as of April 30 by the estimated applicable sales volume for each rate type during the Adjustment Period.

When a margin deficiency to be charged to customers during the adjustment period is less than 3% of gas revenues subject to this Factor for the most recent twelve months ended April 30 (Annual WINF Revenues), the Company may charge an additional portion of the accumulated margin deficiency such that the total deficiency charged in the adjustment period may equal not more than 3% of Annual WINF Revenues. If a margin deficiency to be charged to customers is greater than 3% of Annual WINF Revenues, the Company may reduce charges under this Factor. When a margin excess is to be credited to customers, the Company may credit additional amounts up to 100% of the April 30 regulatory balance by rate type rate gross-up for applicable revenue taxes. Optional WINF charges or credits described in this paragraph are subject to Commission Staff review.

Normal Heating Degree Days shall be determined based on the level used in the Company's most recent Rate Stabilization and Equalization filing for the purpose of determining normalized revenues. The Normal Heating Degree Days used in the RSE filing are established by reference to the National Oceanic and Atmospheric Administration's National Weather Service heating degree day data for Mobile, Alabama.

The Company shall provide to the Commission's Energy Division entries on Appendix A no later than June 1 each year prior to the July 1 effective date of WINF.

APPENDIX A

WEATHER IMPACT NORMALIZATION FACTOR (WINF)
DETERMINATION OF WINF
As of July 1, 20xx

Line #			Indicate Rate Type	
1.	Regulatory Asset (Liability) as of April 30, ____		$ ____________	
2.	WINF (Charges) Credits Applied to Customers 12 Months Ended April 30, ____		$ ____________	a.
3.	Margin (Excess) Deficiency Attributed to Temperature Variance from Normal for the period November 1, _____ through April 30, _____		$ ____________	a.
4.	Regulatory Asset (Liability) as of April 30, ____	Lines 1+2+3	$ ____________	
5.	40% of Regulatory Asset (Liability)	Line 4 * 40%	$ ____________	
6.	100% Minus the Current Revenue Taxes %		$ ____________	%
7.	WINF Charge (Credit)	Line 5 / Line 6	$ ____________	
8.	Gas Revenues Adjusted for WINF for Twelve Months Ended April 30, ____		$ ____________	
9.	Percentage Impact on Annual WINF Revenues	Line 7 / Line 8	____________	%
10	Optional WINF Charge (Credit)		$ ____________	b.
11.	Total WINF Charge (Credit)	Line 7 + Line 10	$ ____________	
12.	Percentage Impact on Annual WINF Revenues	Line 11 / Line 8	____________	%
13.	Estimated Therm Sales July 1, ____ through June 30, ____		____________	
14.	Weather Impact Normalization Factor	Line 11 / Line 13	$ ____________	c.

a. Net of applicable gross receipts taxes.
b. Attach explanation of optional WINF Charge (Credit) as described within Sheet No. 43.
c. Rounded to 5 decimals

Note: Separate calculation is to be filed for each rate type.

PURCHASED GAS ADJUSTMENT RIDER

AVAILABILITY:

This rider is available in all areas served by the Company's gas distribution facilities.

APPLICABILITY:

This rider is applicable to all Company sales, firm transportation services and interruptible transportation services on Rate Schedule T-5 that are under the jurisdiction of the Alabama Public Service Commission.

PURPOSE:

To provide for the recovery of all costs related to the purchase of gas supply to serve the Company's system supply needs. To further provide for the recovery of 90% of prudently incurred environmental costs resulting from compliance with environmental laws, rules and regulations, including costs resulting from the prudent management of environmental risks by the Company, hereinafter referred to as "Environmental Costs". The Company shall be entitled to recovery of all purchased gas costs and Environmental Costs. The purpose of the Purchased Gas Adjustment rider is a dollar-for-dollar matching of actual gas costs and Environmental Costs to the recovery of these costs to be accomplished over time consistent with the need to provide continuity in rates to be charged to customers.

DETERMINATION OF PURCHSED GAS ADJUSTMENT:

1. Effective rates for gas service under the Company's rate schedules and under Special Contracts as approved by the Alabama Public Service Commission shall be adjusted for changes in the cost of purchased gas supply and Environmental Costs by an amount herein described and referred to as the Purchase Gas Adjustment (PGA).

2. The cost of purchased gas supply shall include:
   - The cost of purchasing gas from sellers;
   - The cost incurred in transactions involving the rights to buy and sell gas;
   - The costs incurred in transporting gas to the facilities of the Company;
   - The costs associated with acquiring and using gas storage service, including the cost of injection and withdrawal of gas, and the carrying charges applicable to the difference in the cost of underground storage gas and the cost used in calculating base rates;
   - Any gas cost associated with the change in the imbalance of transportation customers that negatively or positively impacts sales customers, including such cost differentials charged or credited to transportation customers through the Balancing Charges as described in the Company's transportation service tariff sheets;
   - Any prepayment or deferred charges and related carrying charges for gas to be delivered at a later date;
   - All fees, rates or charges incurred in connection with such purchases, rights, transportation and storage, including any amounts or costs that the Federal Energy Regulatory Commission (FERC) allows the interstate pipelines delivering gas to the Company to recover from the Company; and
   - Any costs, carrying charges or benefits incurred pursuant to the Company's energy risk management activities, including all costs associated with financial instruments purchased or sold and all gains or losses incurred pursuant to such risk management activities. Financial instruments include, but are not limited to, swaps, put (floor) or call (cap) options, collars and exchange traded commodity contracts.

   Any carrying charges applicable to underground storage gas, prepayments, deferred charges, and financial instruments that are included in the cost of purchased gas supply shall be computed using the weighted average Prime Rate for the period as published in the Wall Street Journal.

PURCHASED GAS ADJUSTMENT RIDER (continued)

Cost benefits which may be received by the Company from time to time through pipeline capacity release shall be included as a credit to the cost of purchased gas supply.

3. The PGA will be calculated and applied in two segments: (1) Demand Charge Adjustment and (2) Commodity Charge Adjustment.

For purposes of calculating the Demand Charge Adjustment, a Base Demand Cost Component shall be established as the Demand Cost Component implemented in the Company's last rate case proceeding. The Current Demand Cost shall be computed by multiplying the demand rates of each of the Company's suppliers by the associated estimated billing determinants of gas to be purchased during the 12-month period commencing with the first day of the month in which the PGA adjustments are to be made hereunder (the Effective Period), and adding any other costs to be incurred during that period that are associated with the Company's right to demand gas or transportation, including reservation fees and any charge in connection with gas service that does not vary with the quantity of gas delivered. The Current Demand Cost shall be adjusted for any over/under-recovery resulting from the application of the immediately preceding PGA Demand Cost as compared to actual demand cost experienced by the Company during the period that the previous Demand Charge Adjustment was in effect. It shall also be adjusted to reflect any capacity release revenue realized by the Company. The Demand Charge Adjustment shall be the difference between the Current Demand Cost and the estimated revenue to be collected through operation of the Base Demand Cost Component, divided by the estimated sales and applicable transportation units for the Effective Period. The Demand Charge Adjustment shall be applicable to firm rate schedules only. The Environmental Cost Recovery Factor as detailed below shall be added to the Demand Charge Adjustment for firm transportation rate schedules and Rate Schedule T-5 only.

The Commodity Charge Adjustment shall be the sum of the Commodity Cost Adjustment and the Environmental Cost Recovery Factor (ECRF). For purposes of calculating the Commodity Cost Adjustment, a Base Commodity Cost Component shall be established as the Commodity Cost Component implemented in the Company's last rate case proceeding. The Current Commodity Cost shall be computed by multiplying the estimated commodity rates of each of the Company's suppliers by the associated estimated commodity billing determinants of gas to be purchased during the Effective Period, and adding all other costs to be incurred by the Company in connection with purchased gas supply that are not included in the Current Demand Cost. The Current Commodity Cost shall be adjusted for any over/under-recovery resulting from the application of the immediately preceding PGA Commodity Cost as compared to actual commodity cost experienced by the Company during the period that the previous Commodity Cost Adjustment was in effect. The Commodity Cost Adjustment shall be the difference between the Current Commodity Cost and the estimated revenue to be collected through operation of the Base Commodity Cost Component, divided by the estimated commodity sales units for the Effective Period. The Commodity Cost Adjustment shall be applicable to sales rate schedules only.

For purposes of calculating the ECRF, Environmental Costs shall be deferred to a regulatory ledger account specifically designated for Environmental Costs and amortized to cost of gas over a seven-year period. The ECRF shall be the budgeted Environmental Costs to be amortized to cost of gas for the 12-month period ending each November 30, adjusted for any accumulated over/under recovery resulting from application of the immediately preceding ECRF as compared to actual Environmental Costs amortized to cost of gas during the period that the previous ECRF was in effect, divided by the estimated commodity sales, firm transportation units for the 12-month period ending each November 30. The Company will provide supporting documentation of the budget Environmental Cost amortization and budget expenditures for Environmental Costs to the Alabama Public Service Commission staff in conjunction with the Company's provision of workpapers supporting its Rates Stabilization and Equalization Factors filing. Budget Environmental Cost amortization will be established on a 12-month period ending November 30. The ECRF shall be applicable to sales, firm transportation and T-5 rate schedules only.

PURCHASED GAS ADJUSTMENT RIDER (continued)

4. The PGA shall be adjusted to reflect the application of any tax, assessment or fee measured by the gross receipts of the Company, and shall be calculated to the nearest .00001 cent per Therm.

5. The Company may adjust the PGA factors for rate schedules or portions of rates schedules for individual customers to meet competitive energy prices. In the event that the company reduces charges to a Customer or Customers pursuant to the Competitive Fuel Clause of the Company's Rate Schedules, the margin lost by such action shall be recovered through the operation of this PGA rider, as authorized by the Alabama Public Service Commission.

6. In the event significant supplier refunds are received by the Company that are applicable to PGA charges, then the Company may file an Application for the disposition of such refunds with the Alabama Public Service Commission. Otherwise, supplier refunds will be credited to gas cost through the operation of the PGA rider.

7. Financial instruments held pursuant to the Company's energy risk management activities will be recorded at fair value on the Company's statement of financial position. Changes in the fair value of such financial instruments during a given reporting period will be recorded in the appropriate deferred asset or liability account. Gains or losses resulting from fair value changes before settlement or expiration of the financial instrument will not be included in the calculation to determine the cost of purchased gas supply. Upon settlement or expiration of the financial instrument, all associated costs and any realized gain or loss will be included in the cost of purchased gas supply when determining the PGA.

8. The Company shall provide to the Alabama Public Service Commission monthly reports detailing the operation of the PGA rider, including specifically a detailed summary of all energy risks management activities, and quarterly reports detailing actual Environmental Costs.

9. The Company shall notify the Alabama Public Service Commission that a change in the PGA is needed when, in the judgment of the Company, gas cost changes have been or are expected to be significant, or when under or over-recoveries of gas costs resulting from the operation of this rider have been significant. The ECRF component of the PGA shall be subject to change beginning each December 1. The Company shall likewise implement a change in the PGA upon notification from the Alabama Public Service Commission or its staff that, in its opinion, there is a need to do so.

TAX ADJUSTMENT RIDER

AVAILABILITY:

This rider is available in all areas served by the Company's gas distribution facilities.

APPLICABILITY:

This rider is applicable to all Company services that are under the jurisdiction of the Alabama Public Service Commission.

INCOME TAX RATE ADJUST:

In the event that the Federal or State income tax rate applicable to the Company shall be increased or decreased subsequent to October 2001, the Company shall file new rate schedules with the Alabama Public Service Commission that reflect such increase or decrease.

GENERAL TAX PROVISIONS:

In the event that any statute or ordinance levying or authorizing the levy by the State of Alabama, or any agency thereof, or county or municipality therein, of any ad valorem, license, privilege, gross receipts, excise, franchise tax or fee, or the levy by the Alabama Public Service Commission of any fee subsequent to October 1, 2001, shall be repealed or enacted, or the rate of such tax be decreased or increased, the company shall pass on to its Customers the difference, if any, as of the effective date of such repeal, enactment or rate change between: (a) the amounts of such taxes and fees included by the Company in bills rendered to its Customers for service under rates approved or permitted to become effective by the Alabama Public Service Commission, and (b) the amount of such taxes and fees which the Company shall have paid or shall be obligated to pay. The return of this difference, and likewise the collection of any under-recovery of such taxes and fees and the collection of the under-recovery of advalorem taxes enacted retroactive to October 1, 2000, shall be accomplished through an adjustment to the Tax Adjustment Rider calculation. In the event that any such adjustment is necessary, the Company shall file new rate schedules with the Alabama Public Service Commission to reflect such repeal or enactment, or decrease or increase.

DEFINITION:

The term "tax" or "taxes", other than income taxes, as used herein shall mean any tax, license, fee or charge now or hereafter levied, assessed or made by any governmental authority, on the gas itself or the properties of the Company, or on the act, business, right or privilege of production, severance, gathering, transportation, handling, sale, or delivery of gas which is measured by the volume, value, sales of price of gas or by the gross receipts of the "company from the sale thereof.

PIPELINE SAFETY ENFORCEMNT

Pursuant to Title 37-4-88 of the Code of Alabama (1975), the Company will pay annually to the Alabama Public Service Commission a fee of $.50 per active service line for the purpose of enforcing gas pipeline safety requirements. This fee will be collected from customers through the pipeline safety enforcement rate to be included within the customer charge as set out on Sheets No. 8 and 9, as adjusted from time to time and approved by the Alabama Public Service Commission.

SELF INSURANCE RESERVE

PURPOSE

In lieu of the Company purchasing a primary layer of general liability insurance from a third party carrier, the Company is authorized to establish a Self Insurance Reserve (SIR).

FUNDING OF SIR

The Company may establish a $2,000,000 SIR for general liability coverage effective September 30, 2012 (the Initial SIR) and may recover the Initial SIR through rates up to an amount in any one year not to exceed one-fourth of the Initial SIR.

The SIR balance at any one time shall not exceed $2,000,000.

The Company is authorized to replenish the SIR in the fiscal year following its use in an amount not to exceed $250,000 annually during the Initial SIR funding period and $750,000 annually thereafter. The Company may choose to begin replenishment funding in a fiscal year in which the SIR is used subject to the maximum funding amounts noted in the preceding sentence.

In the event the Company realizes non-recurring revenue that generates funds that would result in the Company exceeding the Equity Return Range for the fiscal year as defined in the Company's tariff provisions for the Rate Stabilization and Equalization rate-setting mechanism, the Company may submit to the Commission an application requesting that such economic windfall be utilized in total or in part to fund the SIR up to the maximum SIR balance.

USE OF SIR

Costs associated with the Company's defense and indemnity of others resulting from claims made against the Company with a claimed accident or loss date after June 25, 2012 shall be authorized to be charged to the SIR up to a maximum per claim not to exceed $1,000,000. The Company will assign a case reference number to each claim to accumulate costs and provide a basis for review by the Company, Commission Staff and Attorney General's Office.

To the extent charges to the SIR exceed the reserve balance, the resulting balance shall be a regulatory asset to be recovered in the future as stipulated in this Tariff.

REVIEW OF SIR

The Company acknowledges that the Commission Staff will monitor accruals to and charges against the SIR to assure compliance with the SIR Tariff. Within one month following the Company's fiscal year-end of September 30, the Company will provide a written report to the Commission's Energy Division and to the Attorney General's Office that details charges to and funding of the SIR.

RATE STABILIZATION AND EQUALIZATION FACTORS

APPLICABILITY:

Applicable as an integral part of each rate schedule of the Company in which reference is made to Rate Stabilization and Equalization Factors (RSE) and to Special Contracts as applicable.

EXPLANATORY STATEMENT:

It is the purpose of the RSE to lessen the size of rate increases by permitting the Company, through the operation of a filed and approved tariff provision, to adjust its base rates more readily to achieve the rate of return allowed it in the rate orders of the Commission. By the provisions hereof the base rates are also decreased if the designated rate of return is exceeded. Other provisions limit the impact of any one adjustment.

APPLICATION OF RSE FACTOR AND CALCULATION PROCEDURES:

An RSE shall be computed to be effective December 1, 2021 and each December 1 thereafter. Rates effective December 1 shall be adjusted (increased or decreased) in accordance with the RSE computed with respect to the return on average common equity (RCE) produced by the Company's budget, as approved by its Board of Directors, for the fiscal year beginning October 1, 2021 and each October 1 thereafter using base rates in effect on the immediately preceding October 1. The Company's budget shall include all revenues and related expenses of the entire operations of the Company. Should the return produced by such budget produce a return on average common equity at the end of the Company's fiscal year that is higher than the Equity Return Range, rates shall be reduced to produce a return on average common equity at the Adjusting Point in the Equity Return Range by the end of the Company's fiscal year. Similarly, if the return on average common equity produced by such budget is below the Equity Return Range, rates shall be increased to produce a return on average common equity at the Adjusting Point in the Equity Return Range by the end of the Company's fiscal year. If such return on average common equity is within the Equity Return Range, no RSE rate adjustment will be made.

Since the Company's budget will be used to compute the annual adjustment, during the year, two reviews (RSE Points of Test) of the Company's return on common equity at the end of the fiscal year using a combination of actual and budget results will be made. Rate reductions will be required if the RSE Point of Test indicates that the Company's RCE at September 30 will be above the Equity Return Range. Rate increases will not be allowed as a result of an RSE Point of Test that reflects the Company's RCE will be below the Equity Return Range.

RATE STABILIZATION AND EQUALIZATION FACTORS (continued)

Point of Test calculations of the RCE shall be made with the closing of the Company's books as of April 30. If the projected RCE at September 30 is greater than 10.30%, a revenue reduction shall be computed to produce a RCE for the fiscal year of 9.95% with such refund effective during the 12-month period July 1 through June 30. A second Point of Test at September 30 shall be used to compute the Company's actual return on average common equity for the just completed fiscal year. If the actual RCE is greater than 10.30%, a revenue reduction shall be computed to produce a RCE for the fiscal year of 9.95% with such refund amount to be included in the RSE effective December 1.

If the RCE computed with respect to the Company's budgeted fiscal year ending September 30 is less than 9.70% or greater than 10.30% (being the Equity Return Range), the base rates under the respective rate schedules and Special Contracts as applicable shall be adjusted by the amount necessary, in total, to restore the RCE to 9.95% (being the Adjusting Point in the Equity Return Range), except that only rate decreases shall be allowed for the RSE effective July 1.

The RSE shall be developed by the formula attached as Appendix A hereto. The RCE shall be computed through the tabulations specified on Appendix B hereto directly from the actual results recorded in the books of account of the Company, kept as required by the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts, and by the Company's budget as approved by its Board of Directors. Such Appendices, including the definitions therein, and the Special Rules Governing Operation of the RSE constitute an integral part of this tariff provision.

RSE computed to be effective December 1, 2021 and thereafter, as allowed, shall be placed on the commodity charges of all rate schedules and Special Contracts to which the RSE is applicable. Commodity charges of the Company's rate schedules and applicable Special Contracts, as adjusted, shall be further adjusted by applying a Point of Test RSE adjustment, as allowed, to the total of the previously effective adjustments.

PERCENTAGE LIMITATION:

Annual increases or decreases derived by the operation of the RSE shall be limited to not more than four percent (4%) of the Annual Revenue (AR) as hereinafter defined.

RATE STABILIZATION AND EQUALIZATION FACTORS (continued)

COST CONTROL MEASUREMENT:

A Cost Control Measurement (CCM) shall be designed and implemented to encourage restraint in the Company's operation and maintenance expense levels by achieving expense levels within an acceptable range suitable to ensure adequacy of the distribution system and its operations and to encourage efficient productivity levels for the benefit of the ratepayers. To that end, the following cost control design is applicable to RSE and shall be computed through the tabulations specified as Appendix C hereto:

1) The measure of efficiency shall be operation and maintenance expense, net of pension and gas bad debt expense, on a per customer basis, hereinafter referred to as O&M Expense.

2) The Index for measurement shall be the national Consumer Price Index for All Urban Consumers (CPI-U), using the CPI-U data series resulting from the following criteria: 'U.S. City Average', 'All Items', 'Not Seasonally Adjusted' (the "Index").

3) There will be an annual fiscal year review based upon the completed fiscal year O&M Expense compared to a benchmark O&M Expense computed using a base year O&M Expense for the fiscal year ended September 30, 2021 adjusted by the Index change since August 2021 through August 31 preceding the completed fiscal year.

4) If O&M Expense as compared with the Index is at or within plus (+) or minus (-) 1.50% (the Index Range), there will be no adjustment. To the extent the Company's O&M Expense exceeds the Index Range, the Company will return three-quarters (75%) of the difference to customers through the adjustment to be effective December 1 through September 30, also known as a CCM Penalty. To the extent the Company's O&M Expense is less than the Index Range, the Company will add one-half (50%) of the difference to rates to be effective December 1 through September 30 also known as a CCM Benefit. CCM amounts will not be included in Point of Test review calculations of the Company's return on average common equity at September 30. The CCM Benefit will be excluded from average common equity calculations for the year in which it is recorded and for each rate year thereafter.

5) For any year wherein a CCM Benefit is earned by the Company, the base year O&M shall be reset to the actual O&M for that year and become the base year O&M used in CCM calculations beginning with the succeeding year. The amount of the CCM Benefit will be recorded to a reserve account for economic development purposes (the "Economic Development Fund") and shall not be used without prior Commission approval.

RATE STABILIZATION AND EQUALIZATION FACTORS (continued)

6) Requests by the Company for authorization to use any portion of the Economic Development Fund will be submitted by letter to the Director of the Utility Services Division, copying the manager of that Division's Gas Staff, the Executive Director of the Alabama Public Service Commission ("Executive Director"), and the Alabama Attorney General Office ("AG"). The request shall include the proposed amount to be used from the fund, the purpose, as well as the location(s) and timeframe(s) applicable thereto. Upon further investigation, as required, the Utility Services Division Director will submit to the Executive Director, a staff recommendation regarding the Company's requested use of Economic Development Fund. The Executive Director will thereafter respond to the request for authorization to use the Economic Development Fund, via letter to the Company, copying the AG. Any authorized expenditures from the Economic Development Fund shall be excluded in perpetuity from common equity.

7) For purposes of the above-referenced Cost Control Measurement, expenses related to changes in accounting principles and methods and monthly accruals in accordance with the Company's ESR tariff shall be excluded as appropriate. Additionally, the Company may request of the Commission's Utility Services Division Staff with copy provided to the Attorney General in written form no later than October 26 to exclude certain expenses deemed by the Company to be non-recurring and/or recurring that have fluctuated based on situations beyond the Company's control. The Utility Services Division Staff will issue a written response no later than November 30.

EFFECTIVENESS:

Changes in RSE factors with supporting workpapers shall be filed with the Commission no later than the first day of the month prior to the effective dates described herein with the exception of the December 1 effective date, which shall be due on or before October 26, and shall become effective on such dates unless otherwise ordered by the Commission. In the event October 26 falls on a Saturday or Sunday, the filing shall be due on the first business day following October 26. This tariff provision shall continue through September 30, 2025. A review of the Company's operation under the RSE tariff shall be conducted by the Commission, its Staff and the Attorney General beginning December 1, 2024 through May 31, 2025 for the purpose of possible renewal by the Commission. Absent a Commission order modifying RSE for the Company, RSE shall continue in effect beyond September 30, 2025.

RATE STABILIZATION AND EQUALIZATION FACTORS (continued)

COMMISSION-REQUIRED ADJUSTMENTS:

Lobbying Expense. Expenses of lobbying as defined by the FERC Uniform System of Accounts, account number 426.4, recorded, paid or incurred in any form for the most recent 12 months will not be charged to the ratepayer in any computation of the RSE or otherwise.

Donations. Charitable donations recorded, paid or incurred in any form for the most recent 12 months will not be charged to the ratepayer in any computation of the RSE or otherwise.

Civic Club, Dinner Club and Country Club Dues. Civic club, dinner club and country club dues recorded, paid or incurred in any form for the most recent 12 months will not be charged to the ratepayer in any computation of the RSE or otherwise.

American Gas Association Dues. One half of the annual dues paid by the Company to the American Gas Association, paid or incurred in any form for the most recent 12 months will not be charged to the ratepayer in any computation of the RSE or otherwise.

Interest Income. For purposes of computing the RSE, interest income will be considered utility income. Such treatment as utility income shall not be considered a precedent for any future general rate cases.

Capital Structure. RSE will be further restricted in its operation so that the Company's common equity for purposes of RSE will be increased only by increases in retained earnings. Any other increases to common equity will require the specific approval of the Commission. In addition, should the actual common equity component at September 30 exceed 55.5% of total capital including short-term debt and long-term debt due within one year, a pro-forma capitalization will be determined through the tabulations specified as Appendix D hereto, in which the level of long-term debt will be increased from that at September 30 by an amount equal to the amount that the level of common equity will be decreased in order to achieve an imputed capital structure at September 30 containing a common equity component of 55.5% while the level of total capital shall remain unchanged from that at September 30. A revenue adjustment to be effective December 1 through the following September 30 shall be computed by applying the Adjusting Point of the Equity Return Range to the equity in excess of 55.5% and deducting pro-forma interest charges after-tax, the sum of which shall be grossed-up for applicable revenue

RATE STABILIZATION AND EQUALIZATION FACTORS (continued)

and income taxes. Pro forma interest charges will be computed on the additional long-term debt so imputed using the interest yield rate for "Merrill Lynch 10+ Year U.S. Corporate Debt" or comparable index as published by the Wall Street Journal on September 30 or the first business day preceding September 30 should such date fall on a Saturday or Sunday. If actual equity as of September 30 exceeds the maximum allowed as prescribed herein, the pro forma equity as of September 30 as computed above shall be used as the beginning equity for the following fiscal year average common equity calculation for RSE purposes.

APPENDIX A

RATE STABILIZATION AND EQUALIZATION FACTORS FORMULA

The RSE shall be calculated in accordance with the formula set out below and shall be applied so as to adjust the base rates under the respective rate schedules and Special Contracts as applicable:

If $$\frac{\left[\dfrac{(AROR - RCE)\ (ACE)}{(1-t)\ (1-R)\ (1-T)}\right]}{AR}$$ is greater than 4%, then,

$$\frac{(4\% \times AR)\ \dfrac{(Rs)}{(Rt)}}{Therms} = RSE$$

If $$\frac{\left[\dfrac{(AROR - RCE)\ (ACE)}{(1-t)\ (1-R)\ (1-T)}\right]}{AR}$$ is equal to or less than 4%, then,

$$\frac{\left[\dfrac{(AROR - RCE)\ (ACE)}{(1-t)\ (1-R)\ (1-T)}\right] \dfrac{(Rs)}{(Rt)}}{Therms} = RSE$$

Where,

AROR = Adjusting Point of Equity Return Range (9.95%).

RCE = Return on average common equity (Appendix B).

ACE = Average common equity computed using 13 month-end amounts. If the ending equity exceeded the cap on Appendix D for the immediate preceding year, a pro forma equity will be utilized (Appendix B).

AR = Annual revenues of the Company for the most recent twelve months ended September 30.

Therms = The budgeted therm sales or transportation under rate schedules and Special Contracts, as applicable, for service rendered from the RSE effective date to the end of the fiscal year.

Rs = The budgeted total margin revenue from each respective rate schedule and Special Contract, as applicable, for the current budget fiscal year ending September 30.

Rt = The budgeted total margin revenue from all rate schedules and Special Contracts, as applicable, for the current budget fiscal year ending September 30.

APPENDIX A (continued)

R = Combined revenue tax and APSC fee rate.

T = Combined Federal and State effective income tax rate = $\frac{F + S - 2FS}{1 - FS}$

F being the statutory Federal income tax rate and S being the statutory State income tax rate to the extent such rates are not a function of the Tax Adjustment Rider.

RSE = RSE per unit of volume (Therm) for Rate Schedule and Special Contracts as applicable.

t = Fraction of fiscal year remaining at RSE effective date multiplied by one-half the AROR.

APPENDIX B

RATE STABILIZATION AND EQUALIZATION FACTORS -
DETERMINATION OF RETURN ON AVERAGE COMMON EQUITY (RCE)

1. The RCE will be computed for the twelve-month period ending at the budget fiscal year September 30. The computed RCE shall be calculated in accordance with the formula and specifications set out below:

Twelve Months Statement of Income September 30, 20xx		Line #
Actual Net Income ____ months	$ ________	(1)
Budget Net Income ____ months	$ ________	(2)
Dividends on Preferred Stock	$ ________	(3)
Balance for Common (1)+(2)+(3)	$ ________	(4)
Plus Expense Adjustments:		
Civic Club Dues	$ ________	(5)
Country Club Dues	$ ________	(6)
Dinner Club Dues	$ ________	(7)
Lobbying Expenses	$ ________	(8)
Donations	$ ________	(9)
American Gas Association Dues ________ x 0.50	$ ________	(10)
Total Expense Adjustments sum lines (5) thru (10)	$ ________	(11)
After Tax Expense Adjustments (11) x 0. 7489*	$ ________	(12)
Adjusted Balance for Common (4)+(12)	$ ________	(13)
Average Common Equity (ACE)	$ ________	(14)
RCE (13) / (14) x 100	________ %	(15)

* Or current factor is tax rate changes to the extent such factor is not a function of the Tax Adjustment Rider.

APPENDIX B (continued)

2. REVENUE AND EXPENSE ANNUALIZATION:

The revenue and expense annualization shall utilize the actual results of the months of the current budgeted fiscal year prior to the point of test in combination with the budgeted results of the months subsequent to the point of test for a total of twelve months ending September 30.

A. ACTUAL NET INCOME:

Actual Net Income shall be as recorded on the Company's books for the actual months of the current fiscal year at the point of test.

B. BUDGET NET INCOME:

Net Income for the budgeted months of the current fiscal year subsequent to the point of test shall be taken from the Company's current budget as approved by the Company's Board of Directors and as herein modified by the effects of the RSE tariff provision.

APPENDIX C

RATE STABILIZATION AND EQUALIZATION FACTORS -
DETERMINATION OF COST CONTROL MEASUREMENT (CCM)

	Base Fiscal Year (col. A)	Current Fiscal Year (col. B)	Line #
O&M Expenses:			
O&M Expense per Books	$ ______	$ ______	(1)
Less: Pension and Bad Debts Expense	$ ______	$ ______	(2)
Other Adjustments[a]	$ ______	$ ______	(3)
Adjusted O&M Expense	$ ______	$ ______	(4)
Average Customers	______	______	(5)
O&M Expense per Customer line 4 / 5	______	$ ______	(6)
Increase (Decrease) line B6 – A6		$ ______	(7)
Percentage Change line B7 / A6		%	(8)
CPI-U:	______	______	(9)
Increase (Decrease) line B9 – A9		______	(10)
Percentage Change line B10 / A9		%	(11)
Allowed Range:			
line B11 + 1.50%		%	(12)
line B11 - 1.50%		%	(13)
Index Range:			
O&M Allowed:			
High line (A6 + (A6 x (B12))		$ ______	(14)
Low line (A6 + (A6 x B13))		$ ______	(15)
Adjustment Required:			
Gross Amount:			
If line B6 > B14, then line (B14 – B6) x B5, or			
If line B6 < B15, then line (B15 – B6) x B5, or 0		$ ______	(16)
Net Adjustment: If line B16 > 0, then B16 x 50%, or			
If line B16 < 0, then B16 x 75%		$ ______	(17)
Other Net Adjustment[a]		$ ______	(18)
Total Net Adjustment line B17 + B18		$ ______	(19)
Revenue Taxes line [B19/(1- 05385[b])] *.05385		$ ______	(20)
Adjustment line B19 + B20		$ ______	(21)

a. Explanation to be attached
b. Or current effective revenue tax

APPENDIX D

RATE STABILIZATION AND EQUALIZATION FACTORS -
COMMON EQUITY MEASUREMENT

As of September 30, 20xx

I. Computation of Common Equity Limitation:

			Line #
Common Equity	$	______	(1)
Long-Term Debt	$	______	(2)
Long-Term Debt due within 1 year	$	______	(3)
Short-Term Debt	$	______	(4)
Preferred Stock	$	______	(5)
Total Capitalization (1)+(2)+(3)+(4)+(5)	$	______	(6)
Allowed Common Equity Percentage		55.5%	(7)
Common Equity Limitation (6) x (7)	$	______	(8)
Excess Equity if [(1) – (8)] >0, otherwise 0	$	______	(9)
(If Line (9) is greater than zero, complete Section II)			

II. Computation of Pro-forma Revenue Adjustment:

Pro-forma Long-Term Debt Adjustment (9)	$	______	(10)
Interest Yield Rate as of September __, 20__[a]		%	(11)
Pro-forma Interest Adjustment (10) x (11)	$	______	(12)
Income Taxes 0.2511 x line (12)[b]	$	______	(13)
Pro-forma Net Income Adjustment (12) - (13)	$	______	(14)
Pro-forma Equity Adjustment (9) x -1	$	______	(15)
Adjusting Point Return on Equity		9.95%	(16)
Pro-forma Net Income Adjustment (15) x (16)	$	______	(17)
Total Pro-forma Net Income Adjustment (14) + (17)	$	______	(18)
Divided by product of: (1 - R) x (1 - T)[c]		.7086	(19)
Revenue Adjustment (18) / (19)	$	______	(20)

a. Merrill Lynch 10+ Year U.S. Corporate Debt or comparable index as published by the Wall Street Journal on September 30 or the first business day preceding September 30 should such date fall on Saturday or Sunday
b. Or current effective income tax rate
c. R and T (revenue and income tax) as defined on Appendix A

SPECIAL RULES GOVERNING OPERATION OF RSE

1. In past Commission orders concerning RSE, the Commission has noted that the increased monitoring and auditing provisions of RSE has enhanced the Commission's ability to fulfill its statutory duty to supervise the overall operation of the Company as provided in Title 37, Code of Alabama (1975). The absence of lengthy and time-consuming hearings occasioned by general rate cases brought by this Utility provides a better opportunity for the Commission and its Staff to effectively monitor the Company's daily operations.

2. The Commission has also noted that this increased supervision is essential to the protection of the Company's retail customers, and is a proper and necessary exercise of the Commission's statutory responsibilities. The Commission has expressly acknowledged that its function is to regulate the Company, not to substitute its judgment for that of the Company's management, subject to the demonstration that the Company is honestly, economically and efficiently managed. Should the Commission determine in the future that a management audit of the Company would be meritorious, the Company, in coordination with the Attorney General and the Commission Staff, will be required to develop a request for proposals for such a management audit. Any and all responses to such a request for proposals will be vetted thoroughly by the Company, the Attorney General, and the Commission Staff. If, following a review and analysis of the terms offered in any such responses to any request for proposals, the Commission deems that such an audit/proposal will be cost effective and viable; the Commission will have the option of directing that a management audit be performed at the cost of the Company. Such management audit costs will, however, be subject to recovery in the same manner that other similar costs of doing business which are incurred by the Company are recovered.

3. Given the unique nature of the RSE, the Company recognizes the Commission's increased supervision and monitoring by the Commission and its Staff relating to reporting, auditing and inspection. The Company by acceptance of these RSE tariffs commits itself to cooperate fully with the Commission, its Staff and the Attorney General.

4. In furtherance of the Commission's increased monitoring role and activities, the Company agrees as follows:

    (a) The Company shall furnish to the Commission Staff all reports and other data which are identified on Exhibit "A" hereto, and which are not otherwise furnished under this Paragraph 4. The Company shall provide to the Attorney General copies of such filings.

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

(b) The Company shall provide to the Commission entries on Appendices A, B, C, and D to the RSE no later than the first day of the month prior to the initiation of an increase or decrease derived by the operation of RSE with the exception of the December 1 effective date, which shall be due on or before October 26. In the event October 26 falls on a Saturday or Sunday, the filing shall be due on the first business day following October 26. The Company shall provide to the Attorney General copies of such entries.

(c) The Company shall provide to the Commission, its Staff, and the Attorney General, financial schedules related to the operation of the RSE which the Company prepares on a regular basis as requested.

(d) The Company shall provide upon request by the Commission, its Staff, or the Attorney General, projections of the Company's financial condition which have been made in the normal course of business.

(e) The Company shall provide the Commission Staff all preliminary and final prospectuses promptly after filing. The Company shall provide to the Attorney General copies of such prospectuses.

(f) The Company agrees to provide the Commission Staff copies of its Audited Financial Statements as soon as they become available. The Company shall provide to the Attorney General copies of such Statements.

(g) The Company shall meet annually between May 1 and June 30 each year with the Commission, its Staff and the Attorney General at an agreed upon time and place to provide a status update regarding matters including, but not limited to:

(1) Financial and other performance matters

The Company should address, but should not restrict its agenda to, the Company's financial performance compared to budget and detail any significant variances, legal and/or regulatory issues, complaints over 30 days old and other significant customer service issues, significant personnel changes, activity in or concerning regulatory liability and asset accounts, any federal issues (FERC, OSHA, IRS, DOT, etc.), and ongoing and contemplated capital expenditures and significant projects or expenditures such as software or meter replacement or upgrades.

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

(2) A discussion of anticipated allocations from the parent and affiliates of the Company

The Company shall provide an update on any developments with respect to ongoing and/or anticipated cost allocations from affiliated companies.

(3) An overview of the Company's gas purchasing practices

The Company shall provide a detail of the results of the previous year, the types and amounts of hedges and purchases outstanding, contemplated, and planned, the hedging budget, and discuss any issues or problems they have experienced, or are experiencing, or anticipate experiencing with regards to the Company's gas purchasing and/or hedging activities.

(h) The Company shall meet annually between August 1 and September 30 of each year with the Commission Utility Services Division Staff and the Attorney General to provide a detailed list of each specific allocation anticipated from the parent and/or affiliates of the Company and the methodology advanced in support of such allocations. Specifically, the review shall entail actual allocations and budgeted allocations including those amounts expected to be part of the Company's annual RSE filing to be effective December 1 of the year in question.

(i) The Company agrees that if the Commission, its Staff or the Attorney General, makes a reasonable request for any documentation or explanation of any accounting entries that support Appendices A, B, C and/or D to the RSE, the Company shall, within five working days from the receipt of written request provide full and complete response to said request.

(j) The Company agrees that its refusal or delay in complying with the reasonable data requests under item (i) above of the Commission, Commission Staff and the Attorney General, in connection with RSE shall, unless the Company can (after notice and opportunity for hearing) show just and reasonable cause for its refusal or delay, have the effect of suspending the next succeeding increase in operation of the RSE for the number of days equal to the number of days the Company has failed to comply with any such data requests.

(k) Commission Staff reviews will be conducted during the period after each filing and prior to the effective date of any changes in RSE.

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

5. The Company and Commission agree that the FERC Uniform System of Accounts as used in the RSE is the system of accounts in effect as of September 30, 2021. The Commission and Company further agree that any modification or amendment to the Uniform System of Accounts by the FERC shall not be binding on the Commission in computing the RSE unless and until adopted by the Commission.

6. The Company pledges its good faith and cooperation in all areas pertaining or relating to activities by the Commission or its Staff in the exercise of its monitoring, auditing and inspection functions as well as the specified reporting requirements imposed upon the Company herein.

7. Dispute Resolution Procedure and Limited Complaint Proceedings Respecting Computation of the RSE

   (a) Dispute Resolution Procedure

   In any review or examination of the operation of any provision of Rate RSE conducted by the Commission Staff and/or the Office of the Attorney General of Alabama, Staff and/or the Office of the Attorney General may, by written request which fully outlines any issue(s) that have not been satisfactorily resolved informally through discussion with Company representatives, present the issue(s) in question to the Chief Administrative Law Judge of the Commission for a determination that cause exists to further assess the issue or issues raised. In the event that the Chief Administrative Law Judge finds that such cause indeed exists, the Chief Administrative Law Judge will issue a notice requiring representatives of the Company to provide a written response to the Staff and the Attorney General concerning the identified issue(s) within five (5) working days. Said Company shall fully outline the Company's position on the matter(s) in question and, more particularly, the justification for that position or positions taken.

   In the event the justification provided in the response submitted by the Company is insufficient in the judgment of the Chief Administrative Law Judge, the Chief Administrative Law Judge may then present the Company's position statement and the position/recommendation of the Staff and/or the Office of the Attorney General on the issue(s) in question to the Commission for a written preliminary determination. The Commission will be required to issue its written preliminary determination on the issues(s) identified to the Chief Administrative Law Judge, the Staff, the Attorney General and the Company in no more than five (5) working days. Any specific item or provision disputed shall take effect as provided for under the normal operation of the Tariff subject to refund while the item(s) or provision(s) in question are under the consideration by the Commission.

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

Should the Commission issue a determination with which the Company or the Attorney General does not concur, either party may, in writing, notify the Commission that there is disagreement with the determination rendered by the Commission. The Company or the Attorney General may also express their desire in such notice for the proceeding set forth immediately below.

(b) Limited Complaint Proceedings Respecting Computation of the RSE

The Commission may hold limited complaint proceedings (Section 37-1-83, et seq.) to (1) inquire into the type and amount of expenditures, accuracy; and compliance with the Uniform Systems of Account; (2) inquire into any material changes in accounting treatments of all expenditures and book entries of the Company utilized in the computation of the RSE adjustment; or (3) to make inquiries into any facets of the Company's operations involving questions relating to honest, efficient or economical management.

In any such complaint proceedings, the burden of proof as to the amount and verification of actual or budgeted expenditures, as to any material changes in accounting treatments, and as to conformity with the Uniform System of Accounts shall be upon the Company. The burden of proof in any challenge to the Company's conformity to the standard of honest, efficient and economical management (i.e. prudency) shall be upon the complainant except when the complainant is the Commission and/or its Staff. If the Commission and/or its Staff proceed with a limited complaint regarding the prudency of any proposed operation of any provision or Rate RSE under this section, the burden of proof in such proceeding shall shift to the Company following a prima facie demonstration by the Commission and/or its Staff that the proposed operation of the challenged provision of Rate RSE is imprudent.

8. The Company agrees to make no general retail rate increase filings to be effective prior to September 30, 2025. The Commission, in consideration of the Company's acceptance of RSE contained herein, agrees to make no change in the RSE. Adjustments hereunder shall continue, provided however, the Commission may, after reasonable notice to the Company, affirmatively vote to modify RSE or discontinue the operation of RSE after such date without changing rate levels then in effect. It is, however, expressly understood by both the Company and the Commission, that an unforeseen event, whether physical or economic, of the nature of force majeure may occur, and in such event, the Company and the Commission shall consult in good faith to determine whether such commitments should be modified and, failing agreement thereon, the parties may take such actions as are legally appropriate.

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

9. To facilitate effective monitoring and the orderly flow of data, the Commission, the Attorney General and the Company shall each designate an individual or office to or through which all questions, information requests and visits shall be coordinated. Any such requests for information (including specifically requests to visit any Company premises) shall be upon reasonable advance notice transmitted through the coordinators and shall be consistent with the safe and orderly conduct of the Company's business. However, nothing in this paragraph shall be construed as restricting in any manner the Commission or the Attorney General in the proper exercise of their regulatory rights, power, authority, jurisdiction and duties as provided in Title 37, Code of Alabama (1975), as amended.

10. The Company's tariff in PDF or comparable format shall be available on the Company's website with any changes to the Company's tariff to be reflected in such copy within five (5) working days of the effective date of any such change. The Company may request an extension of the five-day posting requirement which may be granted at the discretion of Commission Utility Services Division Staff.

11. The language contained in the Tariff Sheets describing Rates Stabilization and Equalization Factors shall not be modified or amended without the expressed written approval of the Alabama Public Service Commission.

EXHIBIT A

SPECIAL RULES GOVERNING OPERATION OF RSE (continued)

Documents to be provided:

1. Balance Sheet and detailed supporting worksheets – each month

2. Statement of Income and detailed supporting worksheets – current month this year and last year; 12 months ended this year and last year

3. Meters Billed, Sales and Transportation Volume and Revenue by Rate Type – current month and year-to-date

4. Annual Operating Budget *

5. Annual Construction Budget*

6. Annual Financial Report (i.e. FERC Form 2)

7. Audited Financial Statements as available

8. The Company will provide other documents related to the RSE upon reasonable request by the Commission Staff.

* The Annual Operating Budget and the Annual Construction Budget shall be provided to the Commission Utility Service Division with copies to the Attorney General on or before of October 26. In the event the October 26th falls on a Saturday or Sunday, the filing shall be due on the first business day following October 26. Revisions to the budget will be submitted no later than each filing date for a quarterly review.

RULES AND REGULATIONS FOR GAS SERVICE –
ADEQUACY OF SERVICE

The Company shall construct and install its plant in accordance with accepted good practice. It shall render adequate service to the public and shall make such reasonable improvements, extensions and enlargements to its facilities as may be necessary to meet customer growth and demand in its service territory. The Company's extension policy is contained in Sheets 72 and 73 of this Tariff.

Title to all materials, including meters, regulators, pipe, valves, fittings, and appurtenances up to the Point of Delivery shall be the property of the Company, its successors and assigns.

The Company shall, so far as practicable, operate and maintain its entire plant and system in such condition that will enable it to furnish safe, adequate, and continuous service at all times. In the event of an emergency threatening the integrity of its system, the Company shall take such action as it in its sole judgment deems appropriate to prevent or alleviate such emergency and enable it to continue or restore service consistent with the public welfare. Such action may include interruption of service to a customer or customers. The Company's good faith judgment as to appropriate actions in such situation shall be deemed conclusive on all parties involved and the Company shall be under no liability with respect to any such curtailment or interruption.

Service is subject to interruption or curtailment. The Company shall not be held liable in damages or otherwise for interruption or curtailment or failure of service arising from any cause, including but not limited to acts of God, the elements, labor problems, fires, accidents, breakage, repairs, preferential commitment of supply pursuant to law, regulation, or order of any governmental authority, and peak demand of Customers receiving firm residential, commercial, and industrial service in accordance with the Company's approved Curtailment Plan contained in Sheets 79 and 80 of this Tariff.

RULES AND REGULATION FOR GAS SERVICE –
PROVISION OF GAS SERVICE

INITIATION, TRANSFER, OR DISCONTINUANCE OF SERVICE:

Applicant may request initiation of service and existing Customers may request transfer or discontinuance of service by telephone or online. If there is an indebtedness to the Company from the previous customer at the address for which service is being applied, and the Applicant represents to the Company that he or she is not responsible for the debt, the Applicant will be required to show proof or new ownership or lease with respect to the address. The following information will be required of residential customers, and small commercial customers as applicable, in order to establish service:

1. Customer name.
2. New address.
3. Social Security Number.
4. Driver's License or picture I.D.
5. Place of employment.
6. Occupation.
7. Telephone Number.
8. Proof of new ownership or lease if an amount is outstanding from the previous Customer at the address.

The Company may furnish new or additional service to residential, multi-housing, and small commercial customers pursuant to this Tariff and the Commission's rules and regulations if sufficient gas supply is available at the locations on its system at which gas service is requested.

New or additional firm or interruptible service to industrial and large commercial customers will be contracted for at the discretion of the Company, giving preference to high priority firm and interruptible requirements, respectively.

RULES AND REGULATION FOR GAS SERVICE –
PROVISION OF GAS SERVICE

When gas supply has been disconnected for non-payment of bills or other violation of this Tariff or the Commission's regulation, service will not be restored at the same location or connected at another location for the same or related occupants under a different application, contract, or name when it appears to the Company that the change of name or location is a subterfuge designed to defraud the Company.

The Company shall at all times have free access to the premises of Customers whenever in the sole judgment of the Company such access is deemed necessary.

NOTICES:

Required notices to the Company or customers shall be deemed to have been fully given when made in writing and deposited in the United States mail, postage prepaid, addressed to the Company at any of its local offices, and to customer at the address set forth in information provided by the customer. The date of serving of such notices shall be the postmark date.

SUCCESSORS AND ASSIGNS:

No contract or agreement shall be assigned by a customer without the prior consent of the Company in writing. All contracts and agreements shall bind and benefit the successors and assigns of the Company.

RULES AND REGULATIONS FOR GAS SERVICE – DEPOSITS

The Company may require a cash deposit, surety bond, or letter of credit from a prospective Customer, a presently disconnected Customer, or a former Customer upon initiation or reinitiation of service. The purpose of the deposit is to guarantee final payment for service when such guarantee is deemed necessary by the Company. The deposit may be required prior to providing service, and service may be withheld or discontinued if the deposit has not been made by the time specified by the Company. A required deposit for a gas sales Customer will not exceed the amount of an estimated bill for two billing periods. The maximum security for payment for a transportation Customer shall be estimated charges for no more than two billing periods in addition to a commodity cost component over the same duration.

Upon five days' written notice, the Company may require a deposit from a Customer whose account is not in good standing and whose deposit has been refunded (if initially required) or has been found to be inadequate, or from a Customer whose usage increases sufficiently to warrant an additional deposit.

The Company's policy regarding the requirement, holding, and refunding of deposits shall be in conformity with rule 8 of the General Rules of the Alabama Public Service Commission.

RULES AND REGULATIONS FOR GAS SERVICE – EXTENSION OF DISTRIBUTION SYSTEM

1. Investments

The Company may extend its system and make investments necessary to provide utility service. Extensions of main and service lines may be provided at no cost to the Customer if a return on extension investment is projected to be above the Company's target return as determined periodically. The return on investments will be computed using the projected capital and operating costs of the extension and projected revenues. Nothing in these rules shall be interpreted to mean that the Company will be required to make an investment detrimental to the Company.

2. Contributions in Aid of Construction (CIAC) and Deposits

If the return on the proposed extension investment is below the Company's target return, the Company may require an Extension Agreement that stipulates a non-refundable CIAC to be paid by the prospective Customer or Developer in an amount sufficient to provide the Company's target return. The Extension Agreement may instead stipulate the payment by the prospective Customer or Develop of a deposit that would be subject to refund pursuant to the terms and conditions as set forth in the Extension Agreement. In certain instances, the Company may require a CIAC or deposit in the amount of the total cost to provide gas service.

3. Point of Delivery

The Company reserves the right to locate the Point of Delivery at such place as it considers necessary by reason of local conditions. Generally, however, the Point of Delivery shall be located on either side of the main part of the building to be served, not more than five feet back of the front line of the main portion of the building.

If the Applicant for service desires a Point of Delivery which is acceptable to the Company, but is not the one selected by the Company, then the Applicant shall pay for the service line required to extend to the desired location.

4. Extensions to Serve Standby, Intermittent or Emergency Equipment

When gas service is used to supplement other forms of energy which provide base load space heating or water heating, and when gas service is used in standby, intermittent, or emergency equipment, the Applicant(s) for service may be required to make a non-refundable CIAC to the Company in the amount equivalent to the entire cost of all facilities required for such service.

RULES AND REGULATIONS FOR GAS SERVICE –
EXTENSION OF DISTRIBUTION SYSTEM

5. Construction of Extension by Applicant(s)

Applicants for service who are required to make CIAC's or deposits pursuant to this Tariff may, upon prior written approval from the company, contract with a qualified contractor or engineering firm acceptable to the Company to furnish and install necessary extensions. All such work shall be subject to approval and acceptance by the Company.

6. Further Main Extensions

If after the installation of a main the Company subsequently extends such main, a depositor or contributor of a CIAC shall not be entitled to any refund as a result of any Customer(s) served from the subsequent extension, although the original main extension may be used by the Company to transport gas to Customers other than those to whom the extension was originally made.

7. Waiver of Extension Rules

The Company may waive the provisions of the extension rules and make investments it deems necessary in order to: (1) protect the integrity of the Company's distribution system; (2) make provision for future potential load; or (3) render adequate service to its service area.

RULES AND REGULATIONS FOR GAS SERVICE –
METERING AND BILLING

The Company shall bill its Customers once a month following monthly meter readings or estimates. The actual consumption as measured in 100 cubic feet (1 CCF) and converted to therms by application of the current month Btu factor shall be shown on the Customer's bill.

The Company may estimate meter readings. As nearly as practical, the Company shall avoid rendering a Customer two consecutive estimated bills. In cases where more than two successive estimated bills have been rendered, the Company shall notify the customers, stating the number of billing periods in which an estimated bill was rendered and the reason for the estimations.

Metering and billing of Customers will be pursuant to Rule 10 of the General Rules of the Alabama Public Service Commission.

Any approved changes of rates will be effective with bills rendered on and after the effective date specified by Sheets 8 and 9 of this Tariff as approved by the Commission.

Manual Meter Read (MMR) Fee

The Company uses automated meter reading (AMR) technology in its natural gas distribution system by the use of standard metering equipment for its residential and commercial customers. Standard metering equipment is an ultrasonic meter or a diaphragm meter with an encoder receiver transmitter device, both which enable the transmission of consumption, diagnostic and status data from a meter over a short-range so a utility vehicle can collect the data without a worker physically inspecting the meter to obtain a "manual" read. Any customer to whom standard metering equipment had been made available to them and whose meter is read manually, including Customers who have not responded to the Company's requests for the Customer to schedule the conversion of non-standard metering equipment to standard metering equipment due to the inaccessibility of the Customer's meter, will be charged a monthly MMR Fee as set forth in the Company's Tariff Sheet 76.

RULES AND REGULATIONS FOR GAS SERVICE –
COLLECTION, CONNECTION AND OTHER FEES

The Collection and Connection Fees allowed under Rule 12 of the General Rules of the Alabama Public Service Commission shall be as follows:

The Collection Fee for dispatching a collector to the Customer's premises to collect a delinquent account shall be seven dollars and fifty cents ($7.50).

The Connection Fee for providing service to a new customer or to transfer a customer's account shall be twenty dollars ($20.00). In the event a Customer's premises cannot be occupied as a result of damage caused by a hurricane, tornado, fire, or flood, the Company will provide disaster relief via the waiver of the Connection Fee for the establishment of service at a temporary location and the reestablishment of service at the Customer's original location.

The Reconnection Fee for restoring service to a customer who had been disconnected at his or her request or for nonpayment of a utility bill shall be fifty dollars ($50.00).

The standard Connection and Reconnection Fees above will be charged for services scheduled for a time during normal working hours.

An additional fee of twenty-five dollars ($25.00) shall be charged for services scheduled for a time after 5:00 p.m. for the convenience of the customer, hereinafter referred to as After Hours Connections and Reconnections.

After Hours Connections and Reconnections are subject to scheduling availability as determined by the Company based upon its business operations needs. The Company shall be under no obligation to provide After Hours Connection or Reconnections regardless of the time of day such request is made.

Other Fees:

An administrative charge of twenty dollars ($20.00) will be applied to the customer's account for any check returned for reason of insufficient funds.

In addition to the Reconnection Fee, a Restoration Fee for restoring service terminated by cutting and capping the service line because of action by Customer as described in Rule 13 of the General Rules of the Alabama Public Service Commission shall be based upon the materials and labor costs incurred by the Company to cut and reconnect the service line.

RULES AND REGULATIONS FOR GAS SERVICE –
COLLECTION, CONNECTION AND OTHER FEES (continued)

If a Customer obtains gas illegally by tampering with a meter, using a jumper or using a lost or stolen meter, the Customer will be charged for the estimated gas consumption plus the actual materials and labor costs of any repairs and preventive measures or related actions taken by the Company to address the illegal consumption of gas by the Customer.

The Assessment of costs hereunder shall not preclude the Company from notifying the appropriate authorities and/or pursuing available legal remedies where deemed appropriate by the Company.

The Company may charge the actual materials and labor costs to relocate a service line and/or meter at the Customer's request or to perform other requested work upstream of the meter.

The Manual Meter Read Fee as described in Tariff Sheet 74 shall be as follows:

Monthly Charge – Initial Application	$ 50 (a)
Monthly Charge – Following Initial Application	$ 25

(a) Customers whom the Company allowed to opt-out prior to the adoption of the MMR Fee shall be charged $25 per month from the initial application of the MMR Fee.

RULES AND REGULATIONS FOR GAS SERVICE –
TERMINATION OF SERVICE

ALABAMA PUBLIC SERVICE COMMISSION RULE 12:

Rules 12 of the General Rules Applying to Public Electric, Gas and Water utilities describes the collection of delinquent accounts and discontinuance of service to Customers for non-payment of bills. In addition to Rule 12, the following policy of the Company will apply to discontinuance of service.

PRACTICES WHEN LIFE OR HEALTH MAY BE THREATENED:

Severe Weather:

Service to residential Customers will not be discontinued for non-payment when the temperature of the Customer's location is forecasted to be a 32 degrees Fahrenheit or below for that calendar day. The controlling forecasted temperature for a particular location shall be the temperature forecasted by the National Weather Service for that location on the calendar day in question.

Special Consideration:

Service to residential Customers will not be discontinued for non-payment when the utility is notified that special circumstances exist, such as a death or a serious illness in the family of that Customer, or when, in the opinion of the Company, the Customer requires special consideration because of age or handicap.

Payment Arrangements:

Upon the request of the Customer, payment arrangement may be made with Customers without discontinuing service if it appears to the Company that outstanding amounts owed by Customer will be paid but may be reasonably paid only in installments or at a later time.

RULES AND REGUALTIONS FOR GAS SERVICE –
TERMINATION OF SERVICE (continued)

Discontinuance or suspension of service for reasons other than nonpayment of service bill:

Pursuant to Rule 13 of the General Rules of the Alabama Public Service Commission, the Company may refuse or discontinue service for any of the following reasons:

1. Without notice in the event of a condition on the Customer's premises determined by the Company to be hazardous.

2. Without notice in the event a Customer uses equipment in a manner which adversely affect the Company's equipment or service to others.

3. Without notice in the event of tampering with equipment furnished and owned by the Company.

4. Without notice in the event of unauthorized use of gas.

5. For failure of the Customer to permit the Company reasonable access to its equipment for inspection, securing of meter reading, and other legitimate purposes.

6. For violation of or noncompliance with the Company's rules on file with and approved by the Alabama Public Service Commission.

7. For failure of the Customer to fulfill his contractual obligations for service or facilities subject to regulations by the Alabama Public Service Commission.

Unless otherwise stated, the Customer shall be allowed a reasonable time in which to comply with the rule before service is discontinued. If a Customer is disconnected due to a hazardous condition through no fault of the Customer, the reconnect charge will not apply.

RULES AND REGULATION FOR GAS SERVICE –
CURTAILMENT PLAN

WHEN EFFECTIVE:

Whenever the gas to be delivered to the Company is deemed to be insufficient to meet the expected demands of customers' requirements, the Company may interrupt or curtail service to any customer or customers as necessary. The Company reserves the right to appropriate transport customers' gas if necessary to protect the public interest. The interruption of service shall be according to the priorities stated herein.

SERVICE PRIORITES:

The following end use of gas shall have priority of service in the event it is necessary to curtail gas usage.

1. Residential, multi-housing, general service customers (small commercial and small industrial) and hospitals, nursing homes and other public safety concerns.

2. Large commercial and industrial firm sales and firm transport customers, industrial interruptible sales and transport customers with Confirmed Gas Supply and commercial transport customers except for public safety concerns.

3. Industrial interruptible sales and transport customers to no flow except with Confirmed Gas Supply or public safety concerns.

4. Industrial interruptible sales and transport customers to Plant Protection flow except with Confirmed Gas Supply or public safety concerns.

5. Industrial Interruptible transport customers to Low Production except with Confirmed Gas Supply or public safety concerns.

To the extent possible, curtailments will be determined ratably among the customers in each priority level depending on their needs.

OTHER:

Customer shall be responsible for any overrun or imbalance charges as well as any premium for market price of gas incurred by Company as a result of Customer's unauthorized use of gas during curtailment period.

Notwithstanding the provisions hereof, the Company shall not be liable for any damages that may result to Customer or any other person, firm or corporation by reason of the company's curtailing service in accordance with the above order of priorities.

RULES AND REGULATIONS FOR GAS SERVICE –
CURTAILMENT PLAN (continued)

DEFINITIONS:

Plan Protection Gas is defined as gas volumes required to prevent physical harm to plant facilities or danger to plant personnel when such protection cannot be afforded through the use of 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. Normal space heating conditions for plant protection will be considered 35-40 degrees F. Customer shall advise the Company in writing of volumes requested for plant protection and such volumes must be approved by company prior to customer's use.

Confirmed Gas Supply is defined as both a nomination accepted by the Company and physical delivery of gas for a transport customer from pipeline or other supply source into Company's system.

Low Production is defined as the gas volume requested by customer to maintain minimum equipment or process operation. Such volume must be requested in writing and approved by Company prior to customer's use.