

**RATE LGS (LARGE GENERAL SERVICE)**

**1. AVAILABILITY:**

Available every day of the year to all commercial and industrial customers with actual or reasonably anticipated consumption 20,000 Ccf or greater annually, and for cogeneration units which are direct, gas fired prime movers and which satisfy Federal Energy Regulatory Commission (FERC) Qualifying Facility standards and those standards set forth in Section 16-243b of the Connecticut General Statutes. All consumption under this rate must be separately metered. All Customers on this rate are required to have a daily demand meter. Once installed on the Customer's premise, the customer is required to pay the monthly Daily Demand Metering charge.

All customers served under this rate may elect to receive either Third-Party Supply or Company Supply Service options as defined in Section 5 below. To be eligible for the Third-Party Supplier Option, a Customer's Operator or Aggregator must hold a clear and marketable title to gas that is made available for delivery to the Customer's facility on the Company's gas system. Customers not selecting a Third-Party Supplier must sign a Transportation Receipt Service/Aggregation Agreement and indicate that they wish to serve as their own Operator. All Operators are subject to the Transportation Receipt Services Terms and Conditions. All Third-Party Supply Customers must sign and comply with the terms and conditions of the Third-Party Supply Agreement.

**2. DEFINITIONS:**

- (a) The term "Company" shall mean Southern Connecticut Gas Company successors, assigns, or divisions thereof.
- (b) The term "Delivery Service" shall mean the physical act of moving natural gas across the Company's distribution system to a Customer's facility.
- (c) The term "Supply Service" is defined as the activities associated with providing of the natural gas supply only.
- (d) "Daily Demand Metering Charge" – the monthly charge for the installed daily demand meter.
- (e) The term "Peak Day" is defined as a Customer's Maximum Daily Quantity (MDQ) of gas consumed on any individual day during the most recent 5-month winter period of November through March (subject to minimum MDQ criteria).
- (g) The term "Average Daily Usage" is defined by dividing the total monthly billed consumption by the number of days a customer has received service during that billing month.
- (h) The term "Third-Party Supplier" shall mean a third-party gas supply agent (e.g., gas marketer, broker or producer) responsible for procuring gas on the customer's behalf and making that gas available for delivery to the customer's facility.
- (i) The term "Transfer Customer" is defined as a customer moving into a premise with established gas service.

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- (j) The term "New Customer" is defined as a customer moving into a premise without established gas service, or an existing customer adding a new service and meter.
- (k) The term "Hurdle Rate Model" refers to the Company's internal financial model that determines whether the expected revenues from a new customer will result in the return of the Company's initial investment, plus its allowed rate of return. Certain information from this model may be utilized in establishing a New Customer Peak Day MDQ.
- (l) The term "3MBU" refers to average daily base use calculated using customer-specific actual average usage for the 3-month billing period of July, August and September.
- (m) The term "HUDD" refers to the heat factor per degree day, calculated using customer-specific actual average usage for the 5-month winter billing period of November through March.
- (n) The term "DDM" refers to a daily demand meter.

**3. MONTHLY DEMAND CHARGE:**

**i. Existing Customers**

Customers who are assigned Rate LGS shall be required to be daily demand metered and are subject to a daily demand metering charge, once a daily demand meter has been installed on the Customer's premise as set forth in Section 6 (a) below.

For existing customers with an installed daily demand meter who have received service for greater than one year, the Maximum Daily Quantity (MDQ) will be determined based upon the customer's highest actual daily usage for the most recent 5-month winter-period (November through March). If daily demand metering data is not available or a daily demand meter is not installed, the MDQ will equal the 3MBU plus the HUDD times the heating degree days [Peak load demand MDQ = 3MBU + (HUDD \* degree days)].

**ii. Transfer Customers**

For a transfer customer that intends to operate similar to the past occupant, the initial MDQ will be based on the historical profile of the past occupant.

For DDM equipped customers, the initial MDQ will continue to be used for billing until it is surpassed by an actual, winter-period (November – March) DDM read or becomes more than 12-months old. Actual, not normalized, DDM reads will be used for demand billing. If a DDM read is unavailable during a winter-period month, that month's MDQ will be calculated using the same base-thermal formula applicable to non-DDM customers.

For customers that do not require DDM equipment, the initial MDQ will continue to be used for billing until surpassed by a winter-period calculated MDQ or becomes more than 12-months old. Each winter month billing MDQ calculation will multiply the customer's 5-month average HUDD times actual HDDs for the month and add the 3MBU.

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**iii. New Customers**

For new customers, the initial estimated MDQ will be based on the Hurdle Rate model's calculated 3MBU and HUDD. The resulting MDQ will be calculated by multiplying the HUDD by design day HDDs and adding the 3MBU. The Hurdle Rate HUDD and 3MBU will be used for all billing requirements, such as bill estimation and cancel and re-bill, until updated by actual consumption.

For DDM equipped customers, the Hurdle Rate MDQ will continue to be used for billing until it is surpassed by an actual, winter-period (November – March) DDM read or becomes more than 12-months old. Actual, not normalized, DDM reads will be used for demand billing. If a DDM read is unavailable during a winter-period month, that month's MDQ will be calculated using the same base-thermal formula applicable to non-DDM customers.

For customers that do not require DDM equipment, the Hurdle Rate MDQ will continue to be used for billing until surpassed by a winter-period calculated MDQ or becomes more than 12-months old. Each winter month billing MDQ calculation will multiply the customer's 5-month average HUDD times actual HDDs for the month and add the 3MBU.

**iv. Minimum MDQ**

In no instance shall any customer's MDQ be less than the Average Annual Daily usage, calculated monthly, for the most recent 12-month period or less than 54 ccf.

**v. Winter Period Ratchets**

All MDQ values, for all customer types (i.e., existing, new and transfer), are subject to increases based on actual usage data (either actual DDM data or monthly base/thermal formula estimated MDQs) during the five winter period months of November through March.

**vi. Normalization**

MDQs will not be normalized.

**4. DELIVERY SERVICE:**

All Customers served under this tariff are deemed to be Company delivery Customers. All delivery-related charges in Section 6 (a) are applicable.

**5. SUPPLY SERVICE:**

(a) Third-Party Supplier Service Option – Customers served under this tariff schedule Large General Service have the option of selecting a third-party gas supplier. If such an election is made, the Customer must:

- i. Arrange for and maintain service with a third-party gas supplier under the Company's Rate TRS (Transportation Receipt Service) to receive natural gas for the customer's use and,

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ii. Submit a signed Third-Party Supply Agreement to the Company and provide telephone service in accordance with Company specifications at least 30 days before the intended effective start date. Customers who meet these requirements, shall normally receive service at the start of the next calendar month. An application received less than 30 days prior to the start of the next calendar month may not receive service until the start of the following calendar month. The Company shall notify the customer's Operator of the actual start date.

iii. Remains a Third-Party Supply Customer for at least 12 months anytime thereafter, a customer may discontinue this service only upon not less than one month's prior written notice to the Company. Gas delivery provided under this Rate shall be on a firm basis and shall not be subject to reduction or interruption except as permitted under the Company's Rules and Regulations.

(b) Company Supply Service Option – Customers served under this tariff Large General Service that do not elect a third-party supplier or indicate that they wish to act as their own operator are deemed to be Firm Company Supply customers and must remain as such for at least 12 months. All optional Supply-related charges in Section 6 (b) are applicable in addition to charges otherwise applicable hereunder.

**6. RATE PER MONTH:**  
(Ccf = 100 cubic feet)

**(a) Delivery Service (Applicable to All Customers):**

Customer Charge:	\$193.00 Per Month
Daily Demand Metering Charge: (Applicable to All Customers with Installed Daily Demand Meters):	\$6.37 Per Month
Demand Charge:	\$1.1875 Per Peak Day Ccf Per Month
Delivery Charge:	
First 2,500 Ccf:	\$0.2078 Per Ccf
Over 2,500 Ccf:	\$0.0385 Per Ccf

Subject to the Conservation Adjustment Mechanism (CAM) as approved by the Department of Public Utility Control (DPUC) of the State of Connecticut.

**Weather Normalization Adjustment Clause**

All rates are subject to upward or downward adjustment each month (from September – June inclusive) in accordance with the Weather Normalization Adjustment as directed by the State of Connecticut, Department of Public Utility Control and as described in the Weather Normalization Adjustment Rider.

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**(b) Supply Service Options:**

**1) Company Supply Service Option:**

Supply Charge:

Established monthly in accordance with and pursuant to the Purchased Gas Adjustment Clause as approved by the DPUC.

Sales Services Charge: \$0.0229 Per Ccf

**2) Third-Party Supplier Service Option:**

Transportation Services Charge: \$0.0678 Per Ccf

**7. MINIMUM MONTHLY CHARGE:**

Customer Charge, Daily Demand Metering Charge and Demand Charge as presented in Section 6 (a) above.

**8. APPROVED THIRD-PARTY SUPPLIER LIST:**

The Company shall maintain a list of qualified Third-Party Suppliers from which Customers can choose. Such lists shall include Third-Party Suppliers who sign a Transportation Receipt Service/Aggregation Agreement in which they agree to participate in and abide by the Company's requirements for its Transportation Receipt Service (TRS). This list shall be available to Customers upon request.

**9. SERVICE OBLIGATION:**

The Company's service obligation for those customers electing the Third-Party Supplier Service Option under this Rate LGS shall be limited solely to redelivering supplies and services purchased and received under Rate TRS (Transportation Receipt Service). The Customer acknowledges that it is paying solely for the costs associated with such limited service and that no ancillary services (other than those provided under Rate TRS) are being provided. The Company shall have no obligation to service the Customers with natural gas at any time where the volumes and services purchased and received under Rate TRS are sufficient to meet the Customer's gas requirements.

The Company may suspend or terminate service to the Customer when the Customer fails to maintain gas service under Rate TRS and continues to consume gas at the delivery point. Any supply gas used under such circumstances shall be deemed delivered in accordance with the Company's As-Available Gas Service, subject to interruption and billed per the Rates and Charges section in the service rate "As-avail."

**10. ANNUAL QUALIFICATIONS:**

Customers may be subject to an annual review of the actual consumption. Upon review Customers deemed to be no longer qualified for Rate LGS may be reassigned to the appropriate rate then in effect.

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**11. PAYMENT TERMS:**

Bills are rendered monthly and are due and payable on presentation. A 1% penalty per month charge will be added to all bills not paid (payment received by the Company) within 28 days of the billing date for all Customers other than the State of Connecticut or any political subdivision thereof and 60 days for the State of Connecticut or any political subdivision thereof.

**12. GENERAL TERMS AND CONDITIONS:**

The Company's Rules and Regulations are made a part of this rate schedule. Bills less than 28 days or more than 34 days will be prorated.

**13. RATE FILINGS:**

Nothing contained herein shall be construed in any way as affecting the Company's right to make a unilateral application to the Department of Public Utility Control for a change in rates under the laws of the State of Connecticut and the regulations promulgated by the Department of Public Utility Control.

**14. TERM OF SERVICE:**

A Customer electing service under this Rate Schedule must remain subject to this rate for at least 12 months and thereafter, may discontinue service under this rate only upon not less than one month's prior written notice to the Company. The Customer's Supply Service election (as defined in Section 5 above) will remain in effect for at least 12 months regardless if the election is for Third-Party Supplier Service or Company Supply Service.

A new Customer may select the Third-Party Supplier Service Option or Company Supply Service Option anytime within the first three months of establishing service. However, a new Customer may not switch service options during the period beginning November 1, and ending March 31, inclusive. Once the new Customer's three-month window in which the Customer may select services expires, the Customer must continue service under the selected service for 12 months.