

RATE PS - PROPANE SERVICE

APPLICABILITY

Available for service throughout the territory served under this Tariff.

AVAILABILITY

The Company may from time to time, at its sole option, provide propane service to new customers requesting natural gas service in the Company's service territory where the extension of natural gas facilities is temporarily uneconomic but is anticipated to be economic within a five (5) year period, and absent this rate schedule, the customer would not request service from the Company.

RATE

Customer Charge

The customers hereunder shall pay a customer charge equivalent to the customer charge under the otherwise applicable sales rate schedule.

Distribution and Commodity Charge:

For a period not to exceed five years, or upon conversion to natural gas service (whichever is less) the distribution and commodity charge shall be equal to the current distribution and commodity charge, including the Purchased Gas Cost Rider set forth in this tariff, under the otherwise applicable sales rate schedule. If the extension of natural gas facilities has not been completed within a five year period, beginning in year six, the distribution and commodity charge shall be equal to the sum of: (1) the current distribution charge under the applicable sales rate schedule, excluding the purchased gas cost component; plus (2) the current cost of propane supplied to the customer. The above distribution charge may be flexed in accordance with the Flexible Rate Provisions set forth in the Rules and Regulations of this Tariff.

TERMINATION

Service under this Schedule may be terminated at any time upon not less than sixty (60) days written notice from the Company to the customer, and shall terminate automatically upon the conversion of the customer to natural gas service.

PURCHASED GAS COST RIDER

The above distribution and commodity charge includes recovery of purchased gas costs pursuant to the Purchased Gas Cost Rider as set forth in this tariff except as otherwise stated in the Distribution and Commodity Charge section of this tariff.

CUSTOMER CHOICE

The distribution charge is subject to a Customer Choice charge pursuant to Rider CC.

(C)

(C) Indicates Change

RATE PS - PROPANE SERVICE (Continued)

TERMS OF PAYMENT

The above rates are net. Bills for gas service will be rendered monthly and are due and payable upon presentation. All bills shall be paid on or before the final date of payment shown on the bill, which date shall be not less than twenty (20) days after presentation.

If the customer fails to pay the full amount of any bill a delayed payment penalty charge of one and one-quarter percent (1 ¼%) per month will accrue on the portion of the bill that is unpaid on the due date.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The above charges are subject to a State Tax Adjustment Surcharge as set forth in this tariff.

SPECIAL PROVISIONS

1. Any costs to convert a Customer's appliance to/from propane service will be paid by the customer.
2. If propane service is to be provided to an existing or planned real estate subdivision, an economic analysis may be prepared with respect to facilities to be installed to serve the subdivision pursuant to section 8.2.

(C) Indicates Change