

RATE RDS - RESIDENTIAL DISTRIBUTION SERVICE

APPLICABILITY

Throughout the territory served under this Tariff.

AVAILABILITY

Available to any residential customer meeting the following conditions:

1. The customer does not take service under any other rate schedule.
2. The customer or group of customers have an aggregate annual demand of at least 53,650 thms or a minimum of 50 customers and in compliance with the aggregation provisions in the Rules Applicable to Distribution Service elects an NGS to provide natural gas commodity service. The gas supply for each aggregation must enter the Company's system at a city gate(s) used by the Company to serve the customers unless otherwise permitted by Columbia. (C)

CHARACTER OF SERVICE

Service furnished pursuant to this rate schedule shall be considered firm service.

RATE

The customers under this rate schedule shall be subject to a monthly customer charge and a distribution charge.

The rate information is detailed in the Rate Summary pages of this tariff.

The Distribution Charges include the applicable Purchase Gas Demand Cost rate. The distribution charge may be flexed in accordance with the Flexible Rate Provisions set forth in the Rules and Regulations of this Tariff.

In addition, if the customer transfers to this rate from rate RSS-Residential Sales Service, then for a period of twelve months, the rate shall be adjusted to include the amount per thm equal to the "E" Factor for the twelve months ended September 30 included in the then-applicable Purchased Gas Commodity Cost rate. (C)

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge.

PURCHASED GAS COST RIDER

The above distribution charges include recovery of purchased gas demand costs pursuant to the Purchased Gas Cost Rider as set forth in this Tariff.

STATE TAX ADJUSTMENT SURCHARGE

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

USP COSTS AND CUSTOMER CHOICE COSTS

The distribution charges are subject to Rider Universal Service Plan and Rider Customer Choice as specified within Rider USP and Rider Customer Choice in this tariff.

(C) Indicates Change

RATE RDS - RESIDENTIAL DISTRIBUTION SERVICE (CONTINUED)

TERMS OF PAYMENT

Bills for distribution 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 not be less than twenty (20) days after presentation (date of postmark).

If the Choice customer fails to pay the full amount of any bill a delayed payment penalty charge of one and one-quarter percent (1 1/4%) per month will accrue on the portion of the bill that is unpaid on the due date consistent with the Billing Option Selection section of the Rules Applicable to Distribution Service.

SPECIAL PROVISIONS

1. If service under this rate schedule is discontinued at the request of the Customer, the Company shall be under no obligation to reconnect service to the same Customer on the same premises until the Customer pays the monthly minimum charge for each month of the intervening period, but not to exceed twelve (12) months.

2. Where a Customer has installed a gas light(s) in lighting devices approved by the Company, and the gas used by such light(s) is unmetered, the gas consumed by such light(s) shall be assumed to be twenty-one (21) thms per month when the Btu/hr input rating for such light(s) is 2,700 or less. For each additional 1,350 Btu/hr or fraction thereof, the assumed consumption shall be increased eleven (11) thms per month. Such assumed consumption shall be billed under the rates contained herein, or if in combination with metered usage under this rate schedule, shall be added to the Customer's metered usage and the total billed under the rates contained herein. (C)

3. The Customer may receive a separate bill from its NGS for services provided by the NGS. Otherwise, all charges for natural gas service to the Customer will be billed by the Company. When the Company bills for the NGS, the Company will have the right to terminate service for failure to pay the NGS's Natural Gas Supply Services charges portion of the bill in compliance with all applicable laws and regulations regarding termination of service including the Termination of Service rule of this Tariff. The NGS shall not be permitted to accept the Company's bill for distribution on behalf of the Customers. (C)

4. Before participating in the Choice Service distribution program, Customers with arrears, who are not already subject to a payment plan, shall be required to enter into a payment plan with the Company.

5. The Company will purchase at a discount the accounts receivable from NGSs who elect to have the Company provide a single bill monthly to the customer for distribution service and the NGS's Natural Gas Supply Services charges.

6. The Company is authorized to implement a program applicable to Customers enrolled in its Customer Assistance Plan under Rate RSS and Rate RDS, provided that payments made by such Customers are in accordance with the payment requirements contained in the Customer Assistance Plan.

RULES AND REGULATIONS

The Rules and Regulations Governing the Distribution and Sale of Gas of this Tariff, which are not inconsistent with the provisions of this rate schedule, shall govern where applicable, the supply of distribution service under this rate schedule.

(C) Indicates Change

RATE RDS - RESIDENTIAL DISTRIBUTION SERVICE (CONTINUED)

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