

RESOLUTION NO. 9724

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA MODIFYING GAS RATES, FEES, TERMS AND CHARGES FOR CITY-OWNED UTILITY SERVICES AND DECLARING THIS RESOLUTION AND THE ATTACHED SCHEDULES TO BE A PUBLIC RECORD.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, COUNTY OF MARICOPA, STATE OF ARIZONA, AS FOLLOWS:

SECTION 1: THAT THE FOLLOWING SCHEDULES AND TITLES WITH RESPECT TO RATES, FEES, TERMS AND CHARGES FOR CERTAIN UTILITY SERVICES, TRUE AND CORRECT COPIES OF WHICH ARE ATTACHED HERETO AND MADE PART HEREOF AND INCORPORATED HEREIN BY REFERENCE, ARE HEREBY ADOPTED TO BE APPLICABLE FOR THE BILLING OF UTILITIES FOR THE BILLING CYCLES ENDED ON OR AFTER AUGUST 30, 2010.

<u>SCHEDULE NO.</u>	<u>TITLE</u>
G1.1	Residential Gas Service
G1.3, G3.3	Gas Service To Street Lamps
G1.9	Residential Compressed Natural Gas Service
G3.1	General Gas Service
G3.2	General Gas Service For Air Conditioning
G3.5	Cogeneration Gas Service
G3.6	Large General Gas Service
G3.8	Seasonal Gas Service
G3.9	General Service Compressed Natural Gas Service
G5.1	Irrigation Pumping Gas Service
G6.3	Transportation Gas Service
GM1.1	Residential Gas Service Magma Service Area
GM1.3, GM3.3	Gas Service To Street Lamps Magma
GM1.9	Residential Compressed Natural Gas Service Magma
GM3.1	General Gas Service Magma Service Area
GM3.2	General Gas Service for Air Conditioning Magma
GM3.5	Cogeneration Gas Service Magma
GM3.6	Large General Gas Service Magma Service Area
GM3.8	Seasonal Gas Service Magma Service Area
GM3.9	General Service Compressed Natural Gas Service Magma
GM5.1	Irrigation Pumping Gas Service Magma
GM6.3	Transportation Gas Service Magma

SECTION 2: THAT THIS RESOLUTION, TOGETHER WITH THE ABOVE REFERENCED ATTACHED SCHEDULES OF RATES, FEES, TERMS AND CHARGES, IS DECLARED TO BE A PUBLIC RECORD PURSUANT TO THE PROVISIONS OF SECTION 9-801, ARIZONA REVISED STATUTES, AND THREE COPIES SHALL BE FILED IN THE OFFICE OF THE CITY CLERK AND KEPT AVAILABLE FOR PUBLIC USE AND INSPECTION.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MESA,  
MARICOPA COUNTY, ARIZONA THIS 21<sup>ST</sup> DAY OF JUNE, 2010.

APPROVED



ATTEST:



City Clerk



Mayor

RESIDENTIAL GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable to all natural gas service ~~inside and outside the City limits except for such service in the Magma Service Area as set forth in Schedule No. GM1.1,~~ required for residential purposes in individual private dwellings and in individually metered apartments **served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa**, when such service is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ **August 30, 2010** for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service, nor to gas used directly or indirectly for operation of prime movers.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
\$~~9.21~~ 9.44 Service Charge, plus  
~~\$0.6363~~ 0.6522 per Therm Billed Therm, first 25 Therm Billed Therm and  
~~\$0.2062~~ 0.2114 per Therm Billed Therm, all additional Therm Billed Therm

For billing cycles November through April  
\$~~12.00~~ 12.30 Service Charge, plus  
~~\$0.6363~~ 0.6522 per Therm Billed Therm, first 25 Therm Billed Therm and  
~~\$0.4689~~ 0.4806 per Therm Billed Therm, all additional Therm Billed Therm

**A per Billed Therm Gas Cost is to shall be added to all per Therm rates- included in all bills.** See Adjustment 1 below.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

City of Mesa  
Mesa, Arizona

Gas Schedule No. G1.3, G3.3  
Effective ~~07/30/09~~ 07/30/10  
Ordinance No. 4930 TBD  
Supersedes Schedule Effective ~~07/30/08~~ 07/30/09

GAS SERVICE TO STREET LAMPS  
CITY SERVICE AREA

RESIDENTIAL - G1.3  
COMMERCIAL - G3.3

APPLICATION

These rates are applicable to all customers with **unmetered** gas lamps that are connected to ~~the~~ a City gas main served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa without a meter for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

MONTHLY BILLING CYCLE

Residential Rate (G1.3):	<del>\$13.07</del> 13.40 per lamp
Commercial Rate (G3.3):	<del>\$13.07</del> 13.40 per lamp

ADJUSTMENTS

Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services sold hereunder shall be added to each utility bill.

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

RESIDENTIAL COMPRESSED NATURAL GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable to ~~gas service~~ to any residential customer served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa, using natural gas for the sole purpose of compressing natural gas for use as a fuel vehicular internal combustion engine for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Service under these schedules shall be through one or more meters at the option of the City's Utilities Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided. Not applicable to temporary, breakdown, standby, supplementary, or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
\$~~27.63~~ 28.32 Customer Service Charge, plus  
\$~~0.0837~~ 0.0858 per Therm Billed Therm, all Therm Billed Therms

For billing cycles November through April  
\$~~36.85~~ 37.77 Customer Service Charge, plus  
\$~~0.0837~~ 0.0858 per Therm Billed Therm, all Therm Billed Therms

A per Billed Therm Gas Cost is to shall be added to all per Therm rates. included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of \$~~11.15~~ 11.43 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GENERAL GAS SERVICE  
CITY SERVICE AREA

APPLICATION

~~These rates are applicable to all natural gas service and~~ This rate is applicable to any nonresidential customer using the City's natural gas for any purpose, provided the customer's premises are designated by the City as suitable for service hereunder; and which (i) is served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the last twelve (12) months of less than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next twelve (12) months of less than six thousand seven hundred (6,700) Billed Therms; and (iii) which is not within the Magma Service Area as set forth in Schedule No. GM3.1 for which no specific schedule is provided, when such service is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
    ~~\$27.63~~ 28.32 Service Charge, plus  
    ~~\$0.5025~~ 0.5151 per Therm Billed Therm, first 1,200 Therm Billed Therms and  
    ~~\$0.3014~~ 0.3089 per Therm Billed Therm, all additional Therm Billed Therms

For billing cycles November through April  
    ~~\$36.85~~ 37.77 Service Charge, plus  
    ~~\$0.5443~~ 0.5579 per Therm Billed Therm, first 1,200 Therm Billed Therms and  
    ~~\$0.4353~~ 0.4462 per Therm Billed Therm, all additional Therm Billed Therms

A per Billed Therm Gas Cost ~~is to~~ shall be added to all per Therm rates- included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of ~~\$11.96~~ 12.16 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

GAS LINE EXTENTION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

SUBSTITUTION OF RATE

The customer- may transfer to another rate for which such customer is qualified after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

### ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

### THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

### TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

### INTERFERING EQUIPMENT

**Whenever the customer's gas equipment has characteristics that may cause interference with City's Gas Service, including but not limited to service to other customers or interference with accurate metering, Customer shall provide facilities at customer's expense to preclude such interference prior to receiving service.**

GENERAL GAS SERVICE FOR AIR CONDITIONING  
CITY SERVICE AREA

APPLICATION

These rates are applicable to any general service customer using natural gas for air conditioning equipment, that is served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa, when such service is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
\$~~27.63~~ 28.32 Service Charge, plus  
\$~~0.2062~~ 0.2114 per Therm Billed Therm, all Therm Billed Therms

For billing cycles November through April  
\$~~36.85~~ 37.77 Service Charge, plus  
\$~~0.5443~~ 0.5579 per Therm Billed Therm, first 1,200 Therm Billed Therms, and  
\$~~0.4353~~ 0.4462 per Therm Billed Therm, all additional Therm Billed Therms

A per Billed Therm Gas Cost is to shall be added to all per Therm rates- included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of \$~~11.86~~ 12.16 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

LARGE GENERAL GAS SERVICE  
CITY SERVICE AREA

~~FIRM G3.6~~  
~~INTERRUPTIBLE G3.4~~

APPLICATION

This rate is applicable to any ~~large~~-nonresidential customer by ~~contract~~ using the City's natural gas service hereunder for any purpose, provided the customer's premises are located adjacent to certain mains which are designated by the City as suitable for service hereunder; ~~except that provisions in this rate applicable to interruptible service are not available for use to which curtailment may effect the safety, health, or welfare of the public for the billing of utilities for the billing cycles ended on or after August 28, 2009 for usage occurring on and subsequent to the date on which those same billing cycles started.~~ and which (i) is served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the preceding twelve (12) months of equal to or greater than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next twelve (12) months equal to or greater than six thousand seven hundred (6,700) Billed Therms, and; (iii) is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

~~Not available for supplementary service except that provided through the transportation tariff. Customers must specify by contract the daily volume of firm service required. Service in excess of contractual daily firm service is to be considered interruptible or firm transportation. Customers may contract for zero firm usage.~~

~~Customer shall enter into a Natural Gas Sales Agreement in the form specified by the City.~~

MONTHLY BILLING CYCLE

~~The firm rate will apply to all gas taken during the billing period up to the contractual firm daily volume times the number of days in the billing period. All gas taken in excess of the contractual daily volume times the number of days in the billing period will be billed under the interruptible rate (G3.4) or firm transportation rate. For billing purposes, no distinction between firm, interruptible or firm transportation use will be made on a day-to-day basis; however, for purposes of curtailment and other provisions of this tariff, any daily use in excess of the contractual firm daily volume will be considered interruptible service.~~

Customer Service Charge:            \$879.22 901.20 per billing cycle

Rate:    Firm Service  
\$0.2706- 0.2774 per Therm Billed Therm, all Therm Billed Therms

Interruptible Service  
\$0.2263 per Therm, all Therms

~~A per Billed Therm Gas Cost is to shall be added to all per Therm rates. included in all bills. See Adjustment 1 below.~~

### HIGH PRESSURE SERVICE

An additional charge of ~~\$11.86~~ **12.16** per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

### ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

### THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

### TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

### INTERRUPTIBLE SERVICE

~~The amount of interruptible gas service available at any time for customers under this rate is that portion of the total amount of natural gas available to and distributable within the City's system in excess of the existing requirements of the City's firm gas customers.~~

~~Gas supplied to customers in any area under the interruptible portion of this rate may be curtailed by the City whenever gas available and distributable in that area is insufficient to meet the requirements of such customers. The City will endeavor to give customers advance notice whenever a curtailment is required, and the customer shall curtail his use of interruptible gas service at the time and to the extent requested by the City. The curtailments may be varied between customers from time to time, but curtailments to customers located in the same distribution area shall be equally proportioned to the extent practicable over an appropriate period. The City shall not be liable for any loss of production, for any damages whatsoever by reason of any such curtailment, or because of the lack of advance notice. Deliveries of interruptible gas during a period of ordered curtailment shall be billed at the above charges plus an unauthorized overrun charge of \$3.29 per Therm.~~

~~Insofar as practicable, the customer shall use Large General Service gas for all of the fuel requirements of equipment served hereunder, whenever such gas is available.~~

### STANDBY EQUIPMENT

~~The customer shall have adequate standby facilities and sufficient standby fuel in order that interruptible gas supplied hereunder may be curtailed at the time and in the amount specified by the City.~~

### TERM OF CONTRACT

~~The fixed term of contract hereunder shall be one year. Such fixed term shall commence when the City begins to supply gas hereunder and after the expiration of such fixed term, the contract shall be automatically renewed each year for a period of one year. The customer shall have the right to terminate service under the contract at the end of any month on 30 days written notice to the City, provided, however, that in the event of termination, all amounts due the City shall forthwith be paid, including minimum charges for any unexpired portion of the fixed term of contract.~~

### GAS LINE EXTENTION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

### SUBSTITUTION OF RATE

~~With the approval of the City, the customer may elect to transfer to another rate at any time after any period of 12 months or more of continuous service hereunder. Each transfer shall be effective with the first regular meter reading date following the request for transfer. The customer may transfer to another rate for which such customer is and remains qualified after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.~~

### INTERFERING EQUIPMENT

Whenever any of the customer's utilization equipment has characteristics that will cause interference with service to any other customer or interfere with proper metering, suitable facilities shall be provided at the customer's expense to preclude such interference.

COGENERATION GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable to any nonresidential customer served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa using the City's natural gas service for Cogeneration or On-Site Generation for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. The electricity that is required by a given facility is produced onsite by natural gas fueled engines, fuel cells, or turbines with the capability of supplementing the local electric utility's supply and/or recovering the equipment's heat of rejection for space conditioning and/or process uses.

MONTHLY BILLING CYCLE

Rate: ~~\$439.62~~ 450.61 Customer Service Charge, plus  
~~\$0.0837~~ 0.0858 per Therm Billed Therm, all Therm Billed Therms

A per Billed Therm Gas Cost is to shall be added to all per Therm rates- included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of ~~\$11.86~~ 12.16 billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

SEASONAL GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable from May 1 through October 31 to all gas ~~service required~~ used for agricultural production, processing and dehydration (but not including agricultural irrigation) ~~for the billing of utilities served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa, supplied at one point of delivery and measured through one meter for the billing cycles ended on or after August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. From November 1 to April 30~~+~~, Schedule G3.1 General Gas Service shall be applicable to all such service. Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
\$~~27.63~~ 28.32 Service Charge, plus  
\$~~0.2062~~ 0.2114 per Therm Billed Therm, all Therm Billed Therms

For billing cycles November through April  
\$~~36.85~~ 37.77 Service Charge, plus  
\$~~0.5443~~ 0.5579 per Therm Billed Therm, first 1,200 Therm Billed Therms and  
\$~~0.4353~~ 0.4462 per Therm Billed Therm, all additional Therm Billed Therms

A per Billed Therm Gas Cost ~~is to~~ shall be added to all per Therm rates. included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of \$~~11.86~~ 12.16 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

GENERAL SERVICE  
COMPRESSED NATURAL GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable to gas service to any ~~customer~~ non-residential customer served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa using natural gas for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Service under these schedules shall be through one or more meters at the option of the City's Utilities Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided. Not applicable to temporary, breakdown, standby, supplementary, or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
\$~~27.63~~ 28.32 Customer Service Charge, plus  
\$~~0.0837~~ 0.0858 per Therm Billed Therm, all Therm Billed Therms

For billing cycles November through April  
\$~~36.85~~ 37.77 Customer Service Charge, plus  
\$~~0.0837~~ 0.0858 per Therm Billed Therm, all Therm Billed Therms

A per Billed Therm Gas Cost is to shall be added to all per Therm rates. included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of \$~~14.86~~ 12.16 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units). ~~multiplied by the applicable monthly Heating Value Factor as such factor appears on the monthly bill~~

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

IRRIGATION PUMPING GAS SERVICE  
CITY SERVICE AREA

APPLICATION

These rates are applicable from ~~March 1 through September 30~~ May 1 through Oct 31 to all gas served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa required for agricultural irrigation production, processing, and dehydration for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. From ~~October 1 to February 28 (or February 29)~~ November 1 through April 30, Schedule G3.1 General Gas Service shall be applicable to all such service.

MONTHLY BILLING CYCLE

Rate: For billing cycles ~~March through September~~ May through October  
\$~~27.63~~ 28.32 Service Charge, plus  
\$~~0.2062~~ 0.2114 per Therm Billed Therm, all Therm Billed Therm

For billing cycles ~~October through February~~ November through April  
\$~~36.85~~ 37.77 Service Charge, plus  
\$~~0.5443~~ 0.5579 per Therm Billed Therm, first 1,200 Therm Billed Therm and  
\$~~0.4353~~ 0.4462 per Therm Billed Therm, all additional Therm Billed Therm

A per Billed Therm Gas Cost is to shall be added to all per Therm rates. included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of \$~~11.86~~ 12.16 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

TRANSPORTATION GAS SERVICE

FIRM—G6.3

Interruptible—G6.4

APPLICATION

This rate is applicable to any Customer by contract taking service under the City's Large General Service Tariff for the billing of utilities for the billing cycles ended on or after August 28, 2009 for usage occurring on and subsequent to the date on which those same billing cycles started. The Customer is to arrange for delivery of natural gas to and receipt of gas from City's pipeline system. City reserves the right to deny service if, in its sole discretion, (1) adequate capacity does not exist in City's existing pipeline system to render the service, (2) such service would adversely effect City's sales customers, or (3) such service would pose a hazard to public safety.

Customer shall enter into a Natural Gas Transportation Agreement specified by the City.

MAXIMUM DAILY DELIVERY QUANTITY

Customer and City shall agree to a maximum daily delivery quantity to be delivered by City. Such maximum daily delivery quantity shall be specified in the executed service agreement. If Customer exceeds the maximum daily delivery quantity specified in the service agreement on any day with City's consent, these excess quantities shall be deemed to be an authorized overrun and shall be treated for billing purposes the same as regular transportation services.

Receipt of gas by Customer on any day in excess of the maximum daily delivery quantity specified in the service agreement for which City approval was not specifically requested and granted shall be deemed an unauthorized overrun. For any quantity of unauthorized overrun, the sales rate under Gas Schedule No. G3.6 shall be applicable (including all gas costs specified on Tariff Adjustment sheet), plus any imbalance or penalty charges otherwise applicable.

MONTHLY BILLING CYCLE

The firm transportation rate will apply to all gas transported during the billing cycle up to the contractual firm/interruptible daily volume times the number of days in the billing cycle.

Monthly Billing Cycle Transportation Service: \$369.55 Monthly Billing Cycle Transportation Charge

Rate: Firm Service \$0.2763 per Therm Transportation Usage  
Interruptible Service \$0.2263 per Therm Transportation Usage Charge

Plus: Interruptible Standby Charge \$0.0040 per Therm for all gas scheduled

In addition, the Customer will be responsible for any other costs as specified in the Transportation Agreement.

## ADJUSTMENTS

- ~~1. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.~~
- ~~2. Subsequent events. If any sales, excise, or other new or additional taxes, licenses, or fees are hereafter imposed against the City related to services rendered to Customer, such as tax or taxes (licenses or fees) are to be reimbursed by Customer to City.~~

## PROVISIONS FOR FUEL AND LOSSES

~~City will redeliver the quantity of gas tendered to City less a percentage specified on Tariff Sheet to cover any fuel and losses associated with transportation of Customer's natural gas. Transportation charges shall apply to all gas, including fuel and losses, delivered by Customer to City.~~

## POINT OF RECEIPT

~~Gas received by the City for transportation hereunder shall be received at the outlet of El Paso Natural Gas Company's meter(s) at City's citygate meter station(s) which interconnect the system of City with that of El Paso Natural Gas Company.~~

## POINT OF DELIVERY

~~All gas delivered to Customer by City hereunder shall be delivered at outlet of the Customer's meter.~~

## RECEIPT POINT PRESSURE

~~Gas received by the City for transportation hereunder shall be received at a pressure sufficient to allow gas to enter the City's system but not in excess of the maximum pressures specified in City's service agreement with El Paso Natural Gas Company. City shall not be required to compress into its facilities gas received under this agreement, to lower its system operating pressure, to alter the direction of gas flow, the gas load, or other operation or utilization of its facilities otherwise to change its normal distribution operations to receive and deliver gas hereunder.~~

## DELIVERY POINT PRESSURE

~~City shall deliver gas at each delivery point hereunder at such pressures as are available from time to time.~~

## SCHEDULING AND NOMINATION INFORMATION

~~Customer shall be responsible directly to El Paso Natural Gas Company for all nominations to El Paso Natural Gas Company necessary to transport Customer's gas to the Point of Receipt. Customer also shall apprise City of all such transportation activity in a timely fashion as described below. The procedures for the scheduling and nominations of Customer's gas to City shall be as follows:~~

~~(a) Customer, not City, shall inform its gas supplier(s) of all transportation nominations made by Customer to El Paso Natural Gas Company. Customer shall ensure that such supplier(s) confirms all gas flows with El Paso Natural Gas Company;~~

~~(b) Any transportation nomination made by the Customer to El Paso Natural Gas Company, net of fuel, will be considered to be a nomination by Customer for transportation over City's system as well, and shall become effective on City's system at the same time the nomination takes effect on the El Paso Natural Gas Company system, subject to approval of the City;~~

~~(c) Customer shall inform City of all transportation nominations for the following month no less than forty eight (48) hours prior to the transportation nomination deadline for El Paso Natural Gas Company. All such nominations shall be made under the applicable El Paso Natural Gas Company contract number(s), which also shall be provided to City. Consistent with this Gas Schedule, City has the right to change or reject a nomination;~~

~~(d) Customer shall revise its nominations to its supplier(s) and to El Paso Natural Gas Company to reflect changes in its projected usage. During the course of the month, Customer shall inform City daily of Customer's projected gas usage for the following seven (7) day period; and~~

~~(e) Customer also shall inform City of all transportation changes in nominations that Customer makes to El Paso Natural Gas Company and to its supplier(s) at the same time that Customer makes such nominations to El Paso Natural Gas Company and its supplier(s). Consistent with this Gas Schedule, City has the right to change or reject a nomination.~~

### BALANCING AND CASH-OUT

~~An imbalance is the amount by which receipts into City's system for Customer's account differ from deliveries to Customer. An "Imbalance Percentage" is the amount stated as a percentage derived by dividing the monthly imbalance by the total gas quantities delivered to Customer in a given month. Customer shall use all reasonable efforts to conform its actual usage with its nominated, confirmed, and allocated daily volumes on each day throughout the course of each month, to minimize daily and monthly imbalances between nominations and actual usage.~~

~~If customer has a positive or negative imbalance remaining on City's system at the end of a month, City will adjust Customer's invoice as follows:~~

~~(a) If Customer has accrued a net monthly imbalance such that the total quantities of gas received by City for Customer's account during the month are greater than the total quantities of gas delivered by City to Customer during the month, City shall pay Customer for Customer's net monthly imbalance in accordance to the following table:~~

<u>Imbalance Percentage</u>	<u>Index Price</u>
0% to 5%	100%
>5% to 10%	90%
>10% to 15%	80%
>15% to 20%	70%
>20%	60%

Index Price shall mean, for the applicable Month, the average of the prices per MMBtu (converted to therms) reported for the El Paso Natural Gas Company system in the periodical Natural Gas Week in the table "Spot Prices on Interstate Pipeline Systems" under the column "This Week" in Permian and San Juan, in the first issue distributed in the Month in which the Gas is delivered for the Customer's account.

(b) If Customer has accrued a net monthly imbalance such that the total quantities of gas received by City for Customer's account during the month are less than the total quantities of gas delivered by City to Customer during the month, Customer shall pay City for Customer's net City monthly imbalance in accordance to the following table:

<u>Imbalance Percentage</u>	<u>Percentage of City's Costs</u>
0% to 5%	100%
>5% to 10%	110%
>10% to 15%	120%
>15% to 20%	130%
>20%	140%

City's Cost shall mean the rate for firm service specified in City's Gas Schedule No. G3.6 (including all gas costs specified on Tariff Adjustment sheet).

(c) The Imbalance Percentages in this section will be used to calculate the cash-out price per therm for imbalances that fall within each imbalance range. For example, Customer with an Imbalance Percentage of 9% will cash out at the 0% to 5% Index Price for 5% of the imbalance and at the 5% to 10% Index Price for the 4% of the imbalance.

#### IMBALANCE OR OTHER PENALTIES ASSESSED ON CITY

If Customer's inability to balance its actual usage with its nominated, confirmed, and allocated daily volumes causes City to incur any penalties or increased costs, including, but not limited to, overrun charges or penalties, unauthorized overpull penalties, additional gas purchases from gas merchants, or cash-outs at a price adverse to City, City shall pass through to Customer, and Customer shall pay City, for all such penalties or increased costs.

#### OPERATIONAL FLOW ORDERS

City may request that Customer change its nomination upon twenty-four (24) hours' notice. If the Customer fails to respond to City's request voluntarily, City may issue an Operational Flow Order (OFO) at the end of the twenty-four hour period. Such OFO shall establish Customer's nomination on City's system. All quantities tendered to and/or taken from City on a daily basis in violation of City's OFO shall constitute unauthorized receipts or deliveries for which a charge of \$3.19 per Therm shall be assessed. Customers will be exempt from cash-out for imbalance quantities that result from complying with City's OFO request(s) issued under this section.

### CURTAILMENT OF SERVICE

City shall use all reasonable efforts to provide transportation service to Customer. City shall curtail service to Customer as necessary to assure continued service to City's residential customers or to meet a system emergency. City shall curtail service to Customer in accordance with the curtailment priorities set forth in Chapter 14 of Mesa's City Regulations. For transportation service, City gas deliveries to Customer hereunder shall be subject to curtailment or interruption in whole or in part upon thirty (30) minutes notice by telephone or otherwise by City. Delivery of any transportation gas during a period of ordered curtailment shall be billed at the above rate plus an unauthorized overrun charge of \$3.29 per Therm. Customers that comply with City's curtailment orders issued under this section will have their imbalance quantities adjusted for the curtailment volumes during the month of the curtailment.

### QUALITY OF GAS

All gas tendered to City shall meet all applicable specifications set out by El Paso Natural Gas Company in Section 5 of the General Terms and Conditions of El Paso Natural Gas Company's FERC Gas Tariff, or successor provisions.

### WARRANTY OF TITLE AND INDEMNIFICATION

Title to all gas transported hereunder will at all times remain with the Customer. Customer shall warrant that it shall have good title to all gas transported under this Agreement, and Customer shall agree to fully defend, protect, indemnify, and hold harmless City from and against any claim, demand, cost (including attorney fees and court costs), liability, injury, damage, or judgment made or asserted against City resulting from any dispute regarding title to Customer's gas.

Prior to Customer's tender of Gas to City at the Point of Receipt, as between Customer and City, Customer shall be deemed to be in control and possession of the Gas transported under this Agreement. After City has received Customer's Gas at the Point of Receipt, City will be deemed in possession and control of Customer's Gas until City tenders the Gas to Customer at the Point of Delivery. Upon City's delivery of gas to Customer at the Delivery Point, Customer shall be deemed to be in possession and control of the gas. When the gas is in the control and possession of a Party, such possessing Party agrees to fully defend, protect, indemnify, and hold harmless the non-possessing Party, its agents, employees, subcontractors, and persons for whom the non-possessing Party is responsible, from and against any claim, demand, cost (including attorney fees and court costs), liability (including strict liability), injury, damage, or judgment made or asserted against such non-possessing Party, its agents, employees, subcontractors and persons for whom the non-possessing Party is responsible, resulting from damage, loss of whatever kind or character arising out of or in connection with the operation of facilities or the handling of gas by the possessing Party, its agents, employees, subcontractors, and persons for whom the possessing Party is responsible in connection with the performance of this Agreement. Such indemnification shall exclude damage or losses caused by the sole negligence or fault of the non-possessing Party, its agents, employees, subcontractors and persons for whom the non-possessing Party is responsible.

### CONSTRUCTION, INSTALLATION, AND MAINTENANCE OF FACILITIES

City shall install, at Customer's expense, all necessary equipment to transport gas, including, but not limited to, meters, regulators, and electronic flow measurement (EFM) equipment, which will permit continuous monitoring of Customer's usage. Customer shall provide a physical location of land suitable to locate the necessary metering and regulating equipment.

~~Customer also shall supply, at its own expense, an electric supply and telephone line, if applicable, as well as a site suitable on which to locate the EFM equipment, to accommodate EFM data transmission to City. City shall provide Customer with access to the EFM data generated by City's equipment at Customer's request. All new facilities installed by City shall be the property of the City.~~

OTHER TERMS AND CONDITIONS

~~Service hereunder is subject to City's Rules and Regulations.~~

**TRANSPORTATION GAS SERVICE**  
**CITY SERVICE AREA**

**APPLICATION**

This rate is applicable to any Customer served primarily or entirely from City gate stations and other distribution infrastructure located within the corporate limits of the City of Mesa meeting the qualifications listed in the "Customer Eligibility" section of this rate schedule and subject to the following:

- The Customer shall enter into a Natural Gas Transportation Agreement ("Agreement) specified by the City.
- The Customer has arranged for delivery of natural gas to and receipt of gas from City's gas pipeline system (the "System").
- City reserves the right to deny service if, in its sole discretion, (1) adequate capacity is not available in the existing System to provide the service, (2) such service would adversely affect City's full-requirements sales customers, or (3) such service would pose a hazard to public safety.
- Natural gas transported by the City under this schedule shall be for the Customer's use only.

**CUSTOMER ELIGIBILITY**

A Customer is eligible to receive natural gas transportation service under this Transportation Gas Service Tariff provided that the following conditions are satisfied:

- 1) The Customer's average monthly consumption at one of the customer's metered points of delivery as designated in the Agreement is no less than fifteen thousand (15,000) Therms.
- 2) The Customer's monthly load factor is no less than 0.7, as determined by dividing the total consumption of the lowest billed month by the total consumption of the highest billed month (within normal operating parameters). If the Customer is new to the City's Gas system, or if the Customer is altering its operations, the Customer shall provide sufficient evidence that future consumption will satisfy this requirement.
- 3) The Customer's hourly load factor is no less than 0.5, as determined by dividing the total consumption of the lowest billed hour by the total consumption of the highest billed hour (within normal operating parameters). If the Customer is new to the City's Gas system, or if the Customer is altering its operations, the Customer shall provide sufficient evidence that future consumption will satisfy this requirement.
- 4) The Customer has demonstrated (by producing a signed contract with a natural gas supplier and natural gas pipeline transmission company) that the Customer has procured the appropriate natural gas supplies and transmission capabilities to meet the Customer's natural gas requirements. Such gas shall be of a quality and composition acceptable to the City and its upstream pipeline operators as described in the upstream pipeline operators' Gas Tariff as filed with and approved by the Federal Energy Regulatory Commission ("FERC").

Additional conditions may apply and be included in the Natural Gas Transportation Service Agreement. Failure to satisfy any of these conditions may result in the termination of transportation service at the City's discretion.

### MAXIMUM DAILY DELIVERY QUANTITY

Customer and City shall agree to a Maximum Daily Delivery Quantity ("MDDQ") to be transported by City. Such MDDQ shall be specified in the Natural Gas Transportation Agreement. If Customer exceeds the MDDQ specified in the service agreement on any day with City's consent, these excess quantities shall be deemed to be an authorized overrun and shall be treated for billing purposes the same as regular transportation services.

Exceedance by Customer on any day of the MDDQ specified in the Agreement, for which City approval was not specifically requested and granted, shall be deemed an unauthorized overrun. The sales rate under Gas Schedule No. G3.6 and any adjustments thereto shall be applicable (including all gas costs specified on the Tariff Adjustment sheet) to all unauthorized overrun gas quantities, in addition to reimbursement by Customer of any imbalance or penalty charges otherwise imposed on or applicable to the City.

### MONTHLY BILLING CYCLE

The Natural Gas Transportation Service rate shall apply to all gas transported during the billing cycle up to the contractual MDDQ multiplied by the number of days in the billing cycle.

Monthly Billing Cycle Transportation Service Charge: \$901.20

Monthly Billing Cycle Transportation Charge (per delivery point meter)

Flow Rate: \$0.2832 per Billed Therm Transportation Charge

In addition, the Customer shall be responsible for any other costs as specified in the Agreement. The minimum charge per month shall be the Monthly Billing Cycle Transportation Service Charge, plus all adjustments set forth herein.

### ADJUSTMENTS

1. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.
2. Subsequent events. If any sales, excise, or other new or additional taxes, licenses, or fees are hereafter imposed against the City related to services rendered to Customer, such tax or taxes, licenses or fees shall be reimbursed by Customer to City.
3. Balancing and Cash-Out. An imbalance is the amount by which receipts into City's system for Customer's account differ from deliveries to Customer. A "Monthly Imbalance Percentage" is the amount stated as a percentage derived by dividing the monthly imbalance by the total gas quantities delivered to Customer in a given month. Customer shall use all reasonable efforts to conform its actual usage to its nominated, confirmed, and allocated daily volumes on each day throughout the course of each month, to minimize daily and monthly imbalances between nominations and actual usage. Customers will be assessed excess imbalance charges if the Monthly Imbalance Percentage exceeds five percent (5%). In addition to the charges payable under this Schedule and the customer's otherwise applicable rate Schedule, any monthly excess imbalance quantity shall be billed as follows:

(a) **Positive Excess Imbalance:** When the sum of the Customer's scheduled transportation quantity for a month (plus any authorized overrun) exceeds the Customer's metered quantity for the same month, such excess gas quantity shall be retained by the City and no unit transportation usage charges shall apply to such excess gas. For each Therm by which the scheduled quantity exceeds the metered quantity, up to five percent (5%) of the scheduled quantity shall be credited on the customer's billing statement in the amount of seventy five percent (75%) of the Monthly System Cash-Out Index Price for the appropriate month posted by El Paso Natural Gas. Amounts by which the scheduled quantity exceeds the metered quantity in excess of five (5%) shall be not be credited to customer.

(b) **Negative Excess Imbalance:** When the sum of the Customer's scheduled transportation quantity for a month (plus any authorized overrun) is less than the Customer's metered quantity for a month, the shortfall imbalance in an amount of up to five percent (5%) of the scheduled quantity shall be made up by the customer the following month within the first ten (10) calendar days of such month. Any shortfall imbalance quantity exceeding five percent (5%) of the scheduled quantity shall be billed at one and one-half (1 ½) times the rate (in \$/Therm) under Gas Schedule No. G3.6 including all gas cost adjustments.

4. **Imbalance Or Other Penalties Assessed On City.** If Customer's inability to balance its actual usage with its nominated, confirmed, and allocated daily volumes causes City to incur any penalties or increased costs, including, but not limited to, Critical or Strained Operating Condition penalties, overrun charges or penalties, unauthorized overpull penalties, additional gas purchases from gas merchants, or cash-outs at a price adverse to City, City shall pass through to Customer, and Customer shall pay City, for all such penalties or increased costs.

#### **PROVISIONS FOR FUEL AND LOSSES**

City will transport the quantity of gas tendered by Customer to City less a percentage specified in the Agreement by the City to recover any fuel and line losses associated with transportation of Customer's natural gas. Transportation charges shall apply to all gas quantities tendered by Customer to City for transportation, including quantities specified for fuel and losses.

#### **POINT OF RECEIPT**

Gas received by the City for transportation hereunder shall be tendered at the outlet of El Paso Natural Gas Company's meter(s) (or other interstate natural gas transmission pipeline) at City's gate meter station(s) which interconnect the City's System with that of El Paso Natural Gas Company (or other interstate natural gas transmission pipeline).

#### **POINT OF DELIVERY**

All gas transported to Customer by City hereunder shall be delivered at outlet of the Customer's meter ("Delivery Point"). Customer must specify what proportion of the supplied gas is to be transported to each Delivery Point.

#### **RECEIPT POINT PRESSURE**

Gas received by the City for transportation hereunder shall be received at a pressure sufficient to allow gas to enter the City's System but not in excess of the maximum pressures specified in City's service agreement with El Paso Natural Gas Company (or other interstate natural gas transmission pipeline). City shall not be required to compress into its System or facilities gas received by City under this Schedule, to lower its system operating pressure, to alter the direction of gas flow and/or the gas load or other operation or utilization of its System, or otherwise to change its normal distribution operations in order to receive and transport gas hereunder.

### DELIVERY POINT PRESSURE

City shall deliver gas at each Delivery Point designated in the Agreement at such pressures as are available from time to time.

### SCHEDULING AND NOMINATION INFORMATION

NAESB guidelines applicable to El Paso Natural Gas Company (or other interstate natural gas transmission pipeline) will be followed regarding nominating, confirming and scheduling gas receipts and deliveries, as they may be revised by the FERC from time to time. The Customer shall be responsible for directly contacting the City or its designee (collectively the "City") and the upstream interstate natural gas transmission pipeline(s) to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, however, that the Customer may designate one party to serve as its Agent for such purpose (collectively the "Customer"). The City and upstream interstate natural gas transmission pipeline(s) require that specific information be provided to successfully process each nomination. It is Customer's responsibility to satisfy the information requirements of both the City and the upstream interstate natural gas transmission pipeline(s).

### LIMITATION ON TRANSPORTATION OBLIGATIONS

Customer's day to day gas quantities are to be consumed and supplied at approximately a uniform rate. On any operating day, the City may refuse to accept quantities of gas that result in fluctuations in excess of twenty percent (20%) from the volumes transported during the previous operating day. Fluctuations in excess of twenty percent (20%) shall only be allowed if prior approval has been obtained from the City (or its designee). If not approved, the fluctuations shall be considered excess imbalances and be charged to the Customer as such.

### OPERATIONAL FLOW ORDERS

Customer shall voluntarily change its nomination upon twenty-four (24) hours' notice by City or its designee. If the Customer fails to respond to City's request voluntarily, City (or its designee) may issue an Operational Flow Order (OFO) at the end of the twenty-four (24) hour period. Such OFO shall establish Customer's nomination on City's system. All quantities tendered to and/or taken from City on a daily basis in violation of City's OFO shall constitute unauthorized receipts or deliveries for which a charge of three (3) times the rate under Gas Schedule No. G3.6 shall be assessed for each Therm tendered to and/or taken from City on a daily basis in violation of City's OFO. Customer shall be exempt from cash-out for imbalance quantities that result from complying with City's OFO request(s) issued under this section.

### CURTAILMENT OF SERVICE

City (or its designee) shall use all reasonable efforts to provide transportation service to Customer. However, City (or its designee) shall curtail service to Customer on a pro-rata basis as necessary to assure continued service to all of City's customers or to meet a system emergency. City gas deliveries to Customer hereunder shall be subject to curtailment or interruption in whole or in part upon thirty (30) minutes notice, if practicable, by telephone or otherwise by City. During a period of curtailment, the City may, to the extent practicable, continue to accept delivery of Customer's gas and attempt to redeliver such gas at the Delivery Point(s).

### QUALITY OF GAS

All gas tendered to City shall meet all applicable specifications set out in Section 5 of the General Terms and Conditions (or successor provisions) of El Paso Natural Gas Company's (or other interstate natural gas transmission pipeline) FERC Gas Tariff.

### WARRANTY OF TITLE AND INDEMNIFICATION

Title to all gas transported hereunder will at all times remain with the Customer. Customer shall warrant that it shall have good title to all gas transported under this Schedule, and Customer shall agree to fully defend, protect, indemnify, and hold harmless City (or its designee) from and against any claim, demand, cost (including attorney fees and court costs), liability, injury, damage, or judgment made or asserted against City (or its designee) resulting from any dispute regarding title to Customer's gas.

Prior to Customer's tender of Gas to City at the Point of Receipt, as between Customer and City, Customer shall be deemed to be in control and possession of the Gas transported under this Schedule. After City (or its designee) has received Customer's Gas at the Point of Receipt, City (or its designee) will be deemed in possession and control of Customer's Gas until City (or its designee) tenders the Gas to Customer at the Point of Delivery. Upon City's (or its designee) delivery of gas to Customer at the Delivery Point, Customer shall be deemed to be in possession and control of the gas.

When the gas is in the control and possession of a Party, such possessing Party agrees to fully defend, protect, indemnify, and hold harmless the non-possessing Party, its agents, employees, subcontractors, and persons for whom the non-possessing Party is responsible, from and against any claim, demand, cost (including attorney fees and court costs), liability (including strict liability), injury, damage, or judgment made or asserted against such non-possessing Party, its agents, employees, and subcontractors, resulting from damage, loss of whatever kind or character arising out of or in connection with the operation of facilities or the handling of gas by the possessing Party, its agents, employees, subcontractors, and persons for whom the possessing Party is responsible in connection with the performance under this Schedule. Such indemnification shall exclude damage or losses caused by the sole negligence or fault of the non-possessing Party, its agents, employees, and subcontractors.

### CONSTRUCTION, INSTALLATION, AND MAINTENANCE OF FACILITIES

City shall install, at Customer's expense, all necessary equipment to transport gas, including, but not limited to, pipelines, meters, regulators, and electronic flow measurement and telemetry (EFM) equipment, which will permit continuous monitoring of Customer's usage. Customer shall provide a physical location of land suitable to locate the necessary metering and regulating equipment. All such equipment shall be owned, operated and maintained by City.

Customer also shall supply, at its own expense, an electric supply and telephone line, if applicable, as well as a site suitable on which to locate the EFM equipment, to accommodate EFM data transmission to City. City shall provide Customer with access to the EFM data generated by City's equipment at Customer's request and expense. City shall own, operate and maintain all EFM equipment.

Customer shall also be responsible for all costs associated with any distribution infrastructure or upstream infrastructure costs required to provide transportation service to the Customer and which City can demonstrate are a result of the customer's transportation service. All such facilities shall be installed and owned by the City.

### OTHER TERMS AND CONDITIONS

Service hereunder is subject to City's Terms and Conditions for the Sale of Utilities.

RESIDENTIAL GAS SERVICE  
MAGMA SERVICE AREA

APPLICATION

These rates are applicable to all natural gas service ~~located in the Magma Service Area~~, required for residential purposes in individual private dwellings and in individually metered apartments ~~served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa~~, when such service is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after ~~August 28, 2009~~ August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service, nor to gas used directly or indirectly for operation of prime movers.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October

~~\$10.16~~ 10.41 Service Charge, plus  
~~\$0.7015~~ 0.7190 per Therm Billed Therm, first 25 Therm Billed Therms and  
~~\$0.2273~~ 0.2330 per Therm Billed Therm, all additional Therm Billed Therms

For billing cycles November through April

~~\$13.24~~ 13.57 Service Charge, plus  
~~\$0.7015~~ 0.7190 per Therm Billed Therm, first 25 Therm Billed Therms and  
~~\$0.5171~~ 0.5300 per Therm Billed Therm, all additional Therm Billed Therms

A per Billed Therm Gas Cost ~~is to shall~~ be added to all per Therm rates ~~included in all bills~~. See Adjustment 1 below.

A residential surcharge (GM1.2) shall be included when the City of Mesa Magma residential total billing amounts are lower than the most recent comparable market rate total billing amounts. This surcharge shall be equal to the difference between the City of Mesa Magma residential total monthly billing amounts and the calculated total billing amounts based on the most recent comparable market rates, and shall be included as such differences occur.

ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to all utility bills.

THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

**GAS SERVICE TO STREET LAMPS**  
**MAGMA SERVICE AREA**

**MAGMA RESIDENTIAL - GM1.3**  
**MAGMA COMMERCIAL - GM3.3**

**APPLICATION**

These rates are applicable to all customers with unmetered gas lamps that are connected to a City gas main served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

**MONTHLY BILLING CYCLE**

Residential Rate (GM1.3):	\$14.77 per lamp
Commercial Rate (GM3.3):	\$16.54 per lamp

**ADJUSTMENTS**

**Taxes and Impositions.** The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the utility services sold hereunder shall be added to each utility bill.

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**RESIDENTIAL COMPRESSED NATURAL GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable to gas service to any residential customer served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa using natural gas for the sole purpose of compressing natural gas for use as a fuel vehicular internal combustion engine for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Service under these schedules shall be through one or more meters at the option of the City's Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under this Schedule is provided. Not applicable to temporary, breakdown, standby, supplementary, or resale service.

**MONTHLY BILLING CYCLE**

**Rate:** For billing cycles May through October  
\$31.23 Service Charge, plus  
\$0.0946 per Billed Therm, all Billed Therms

For billing cycles November through April  
\$41.66 Service Charge, plus  
\$0.0946 per Billed Therm, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$12.61 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

GENERAL GAS SERVICE  
MAGMA SERVICE AREA

APPLICATION

These rates are applicable to all natural gas service in the Magma Service Area for which no specific schedule is provided, when such service. This rate is applicable to any nonresidential customer using natural gas for any purpose, provided the customer's premises are designated by the City as suitable for service hereunder; and which (i) is served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the last twelve (12) months of less than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next 12 months of less than six thousand seven hundred (6,700) Billed Therms; and (iii) is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after August 28, 2009- August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

MONTHLY BILLING CYCLE

Rate: For billing cycles May through October  
~~\$34.13~~ 34.98 Service Charge, plus  
~~\$0.6208~~ 0.6363 per Therm Billed Therm, first 1,200 Therm Billed Therms and  
~~\$0.3722~~ 0.3815 per Therm Billed Therm, all additional Therm Billed Therms

For billing cycles November through April  
~~\$45.47~~ 46.61 Service Charge, plus  
~~\$0.6724~~ 0.6889 per Therm Billed Therm, first 1,200 Therm Billed Therms and  
~~\$0.5376~~ 0.5510 per Therm Billed Therm, all additional Therm Billed Therms

A per Billed Therm Gas Cost is to shall be added to all per Therm rates- included in all bills. See Adjustment 1 below.

HIGH PRESSURE GAS SERVICE

An additional charge of ~~\$17.80~~ 18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

GAS LINE EXTENTION AGREEMENT

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the Customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

SUBSTITUTION OF RATE

The customer may transfer to another rate for which such customer is qualified at any time after any period of twelve (12) months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

### ADJUSTMENTS

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

### THERM DEFINED

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

### TERMS AND CONDITIONS

See Terms and Conditions for the Sale of Utilities.

**GENERAL GAS SERVICE FOR AIR CONDITIONING**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable to any customer using natural gas for air conditioning equipment, that is served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa, when such service is supplied at one point of delivery and measured through one meter for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

**Rate:** For billing cycles May through October  
\$34.98 Service Charge, plus  
\$0.2611 per Billed Therm, all Billed Therms

For billing cycles November through April  
\$46.61 Service Charge, plus  
\$0.6889 per Billed Therm, first 1,200 Billed Therms, and  
\$0.5510 per Billed Therm, all additional Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**COGENERATION GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable to any nonresidential customer served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa using the City's natural gas service for Cogeneration or On-Site Generation, for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. The electricity that is required by a given facility is produced onsite by natural gas fueled engines, fuel cells, or turbines with the capability of supplementing the local electric utility's supply and/or recovering the equipment's heat of rejection for space conditioning and/or process uses.

**MONTHLY BILLING CYCLE**

**Rate:** \$556.59 Service Charge, plus  
\$0.1060 per Billed Therm, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$18.25 billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**LARGE GENERAL GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

This rate is applicable to any nonresidential customer using the City's natural gas service for any purpose, provided the customer's premises are designated by the City as suitable for service hereunder; and which: (i) is served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa; (ii) if an existing customer, has average monthly billed usage in the last twelve (12) months of equal to or greater than six thousand seven hundred (6,700) Billed Therms, or if a new customer or a customer with less than twelve (12) months of billing history, has anticipated average monthly billed usage in the next twelve (12) months of equal to or greater than six thousand seven hundred (6,700) Billed Therms; and (iii) is supplied at one point of delivery and measured through one meter, for the billing of utilities for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Not applicable to temporary, breakdown, standby, supplementary or resale service.

**MONTHLY BILLING CYCLE**

**Service Charge:** \$1,113.12 per billing cycle

**Rate:** \$0.3425 per Billed Therm, for all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE SERVICE**

An additional charge of \$18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

### **GAS LINE EXTENTION AGREEMENT**

Prior to construction of any incremental delivery infrastructure, the City may require that the customer execute a contract which may include commitments from the Customer, including but not limited to, service requirements and consumption. This contract may require the payment by customer, prior to construction, of some or all of the infrastructure extension costs in accordance with the Mesa City Code.

### **SUBSTITUTION OF RATE**

The customer may transfer to another rate for which such customer is and remains qualified after any period of 12 months or more of continuous service hereunder. Each such transfer shall be effective with the first regular meter reading date following the written request for, and confirmation by the City of qualification for, such transfer.

### **INTERFERING EQUIPMENT**

Whenever any of the customer's utilization equipment has characteristics that will cause interference with service to any other customer or interfere with proper metering, suitable facilities shall be provided at the customer's expense to preclude such interference.

**SEASONAL GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable from May 1 through October 31 to all gas service required for agricultural production, processing and dehydration (not including agricultural irrigation) for the billing of gas served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa, supplied at one point of delivery and measured through one meter, for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. From November 1 to April 30, Schedule GM3.1 shall be applicable to all such service. Not applicable to temporary, breakdown, standby, supplementary or resale service.

**MONTHLY BILLING CYCLE**

**Rate:** For billing cycles May through October  
\$34.98 Service Charge, plus  
\$0.2611 per Billed Therm, all Billed Therms

For billing cycles November through April  
\$46.61 Service Charge, plus  
\$0.6889 per Billed Therm, first 1,200 Billed Therms and  
\$0.5510 per Billed Therm, all additional Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**GENERAL SERVICE COMPRESSED NATURAL GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable to gas service to any non-residential customer served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa using natural gas for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines for the billing of utilities for the billing cycles ended on or after August 28, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started.

Service under these schedules shall be through one or more meters at the option of the City's Energy Resources Department, provided they are located at the same premise. Service for any end use of gas other than compression of natural gas for vehicle use, such as space heating, water heating, processing or boiler fuel use, is not permitted under these schedules nor through the meter(s) through which service under these schedules is provided.

Not applicable to temporary, breakdown, standby, supplementary, or resale service.

**MONTHLY BILLING CYCLE**

**Rate:** For billing cycles May through October  
\$34.98 Service Charge, plus  
\$0.1060 per Billed Therm, all Billed Therms

For billing cycles November through April  
\$46.61 Service Charge, plus  
\$0.1060 per Billed Therm, all Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**IRRIGATION PUMPING GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

These rates are applicable from May 1 through October 31 to all gas service served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa required for agricultural irrigation, for the billing cycles ended on or after August 30, 2010 for usage occurring on and subsequent to the date on which those same billing cycles started. From November 1 through April 30, Schedule GM3.1 General Gas Service shall be applicable to all such service.

**MONTHLY BILLING CYCLE**

**Rate:** For billing cycles May through October  
\$34.98 Service Charge, plus  
\$0.2611 per Billed Therm, all Billed Therms

For billing cycles November through April  
\$46.61 Service Charge, plus  
\$0.6889 per Billed Therm, first 1,200 Billed Therms and  
\$0.5510 per Billed Therm, all additional Billed Therms

A per Billed Therm Gas Cost shall be included in all bills. See Adjustment 1 below.

**HIGH PRESSURE GAS SERVICE**

An additional charge of \$18.25 per billing cycle will be made for each meter being supplied with a higher than normal pressure. This charge will be made regardless of the quantity of gas consumed in the month.

**ADJUSTMENTS**

1. Subject to adjustments, based on the cost to the City's gas operations for the price of gas purchased, as shown on the Tariff Adjustments sheet.
2. Taxes and Impositions. The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**THERM DEFINED**

"Therm" - that amount of gas having a heating value of 100,000 BTU (British Thermal Units).

**TERMS AND CONDITIONS**

See Terms and Conditions for the Sale of Utilities.

**TRANSPORTATION GAS SERVICE**  
**MAGMA SERVICE AREA**

**APPLICATION**

This rate is applicable to any Customer served primarily or entirely from the City's Magma gate stations and other distribution infrastructure located outside the corporate limits of the City of Mesa and meeting the qualifications listed in the "Customer Eligibility" section of this Schedule and subject to the following:

- The Customer shall enter into a Natural Gas Transportation Agreement ("Agreement") specified by the City.
- The Customer has arranged for delivery of natural gas to and receipt of gas from City's Magma distribution system (the "Magma System").
- City reserves the right to deny transportation service if, in its sole discretion, (1) adequate capacity is not available in the existing Magma System to provide the service, (2) such service would adversely affect City's Magma System full-requirements sales customers, or (3) such service would pose a hazard to public safety.
- Natural gas transported by the City under this Schedule shall be for the Customer's direct use only.

**CUSTOMER ELIGIBILITY**

A Customer is eligible to receive natural gas transportation service under this Transportation Gas Service Schedule for the Magma Service Area provided that the following conditions are satisfied:

- 1) The Customer's average monthly consumption at one of the customer's metered points of delivery as designated in the Agreement is not less than fifteen thousand (15,000) Therms.
- 2) The Customer's monthly load factor is not less than 0.7, as determined by dividing the total consumption of the lowest billed month by the total consumption of the highest billed month (within normal operating parameters). If the Customer is new to the City's Magma System, or if the Customer is altering its operations, the Customer shall provide sufficient evidence that future consumption will satisfy this requirement.
- 3) The Customer's hourly load factor is not less than 0.5, as determined by dividing the total consumption of the lowest billed hour by the total consumption of the highest billed hour (within normal operating parameters). If the Customer is new to the City's Magma System, or if the Customer is altering its operations, the Customer shall provide sufficient evidence that future consumption will satisfy this requirement.
- 4) The Customer has demonstrated (by producing a signed contract with a natural gas supplier and natural gas pipeline transmission company) that the Customer has procured the appropriate natural gas supplies and transmission capabilities to meet the Customer's natural gas requirements. Such gas shall be of a quality and composition acceptable to the City and its upstream pipeline operators as described in the upstream pipeline operators' Gas Tariff as filed with and approved by the Federal Energy Regulatory Commission ("FERC").

Additional conditions may apply and be included in the Natural Gas Transportation Service Agreement. Failure to satisfy any of these conditions may result in the termination of transportation service at the City's discretion.

### MAXIMUM DAILY DELIVERY QUANTITY

Customer and City shall agree to a Maximum Daily Delivery Quantity ("MDDQ") to be transported by City. Such MDDQ shall be specified in the Natural Gas Transportation Agreement. If Customer exceeds the MDDQ specified in the service agreement on any day with City's consent, these excess quantities shall be deemed to be an authorized overrun and shall be treated for billing purposes the same as regular transportation services.

Exceedance by Customer on any day of the MDDQ specified in the Agreement, for which City approval was not specifically requested and granted, shall be deemed an unauthorized overrun. The sales rate under Gas Schedule No. G3.6 and any adjustments thereto shall be applicable (including all gas costs specified on the Tariff Adjustment sheet) to all unauthorized overrun gas quantities, in addition to reimbursement by Customer of any imbalance or penalty charges otherwise imposed on or applicable to the City.

### MONTHLY BILLING CYCLE

The Natural Gas Transportation Service rate shall apply to all gas transported during the billing cycle up to the contractual MDDQ multiplied by the number of days in the billing cycle.

Monthly Billing Cycle Transportation Service Charge: \$1,113.12

Monthly Billing Cycle Transportation Charge (per delivery point meter)

Flow Rate: \$0.3498 per Billed Therm Transportation Charge

In addition, the Customer shall be responsible for any other costs as specified in the Agreement. The minimum charge per month shall be the Monthly Billing Cycle Transportation Service Charge, plus all adjustments set forth herein.

### ADJUSTMENTS

**Taxes and Impositions.** The applicable proportionate part of any taxes or governmental impositions that are assessed on the basis of the gross revenues of the City and/or the price or revenue from the gas or service sold and/or the volume of gas generated or purchased for sale and/or sold hereunder shall be added to each utility bill.

**Subsequent events.** If any sales, excise, or other new or additional taxes, licenses, or fees are hereafter imposed against the City related to services rendered to Customer, such as tax or taxes (licenses or fees) are to be reimbursed by Customer to City.

**Balancing and Cash-Out.** An imbalance is the amount by which receipts into City's Magma System for Customer's account differ from deliveries to Customer. A "Monthly Imbalance Percentage" is the amount stated as a percentage derived by dividing the monthly imbalance by the total gas quantities delivered to Customer in a given month. Customer shall use all reasonable efforts to conform its actual usage to its nominated, confirmed, and allocated daily volumes on each day throughout the course of each month, to minimize daily and monthly imbalances between nominations and actual usage. Customers will be assessed excess imbalance charges if the Monthly Imbalance Percentage exceeds five percent (5%). In addition to the charges payable under this Schedule and the customer's otherwise applicable rate Schedule, any monthly excess imbalance quantity shall be billed as follows:

(a) **Positive Excess Imbalance:** When the sum of the Customer's scheduled transportation quantity for a month (plus any authorized overrun) exceeds the Customer's metered quantity for the same month, such excess gas quantity shall be retained by the City and no unit transportation usage charges shall apply to such excess gas. For each Therm by which the scheduled quantity exceeds the metered quantity, up to five percent (5%) of the scheduled quantity shall be credited on the customer's billing statement in the amount of seventy five percent (75%) of the Monthly System Cash-Out Index Price for the appropriate month posted by El Paso Natural Gas. Amounts by which the scheduled quantity exceeds the metered quantity in excess of five (5%) shall be not be credited to customer.

(b) **Negative Excess Imbalance:** When the sum of the Customer's scheduled transportation quantity for a month (plus any authorized overrun) is less than the Customer's metered quantity for a month, the shortfall imbalance in an amount of up to five percent (5%) of the scheduled quantity shall be made up by the customer the following month within the first ten (10) calendar days of such month. Any shortfall imbalance quantity exceeding five percent (5%) of the scheduled quantity shall be billed at one and one-half (1 ½) times the rate (in \$/Therm) under Gas Schedule No. GM3.6 including all gas cost adjustments.

**Imbalance Or Other Penalties Assessed On City.** If Customer's inability to balance its actual usage with its nominated, confirmed, and allocated daily volumes causes City to incur any penalties or increased costs, including, but not limited to, Critical or Strained Operating Condition penalties, overrun charges or penalties, unauthorized overpull penalties, additional gas purchases from gas merchants, or cash-outs at a price adverse to City, City shall pass through to Customer, and Customer shall pay City, for all such penalties or increased costs.

#### PROVISIONS FOR FUEL AND LOSSES

City will transport the quantity of gas tendered by Customer to City less a percentage specified in the Agreement by the City to recover any fuel and line losses associated with transportation of Customer's natural gas. Transportation charges shall apply to all gas quantities tendered by Customer to City for transportation, including quantities specified for fuel and losses.

#### POINT OF RECEIPT

Gas received by the City for transportation hereunder shall be tendered at the outlet of El Paso Natural Gas Company's meter(s) (or other interstate natural gas transmission pipeline) at City's Magma System gate meter station(s) which interconnect the City's System with that of El Paso Natural Gas Company (or other interstate natural gas transmission pipeline).

#### POINT OF DELIVERY

All gas transported to Customer by City hereunder shall be delivered at outlet of the Customer's meter ("Delivery Point"). Customer must specify what proportion of the supplied gas is to be transported to each Delivery Point.

#### RECEIPT POINT PRESSURE

Gas received by the City for transportation hereunder shall be received at a pressure sufficient to allow gas to enter the City's Magma System but not in excess of the maximum pressures specified in City's service agreement with El Paso Natural Gas Company (or other interstate natural gas transmission pipeline). City shall not be required to compress into its System or facilities gas received by City under this Schedule, to lower its system operating pressure, to alter the direction of gas flow and/or the gas load or other operation or utilization of its System, or otherwise to change its normal distribution operations in order to receive and transport gas hereunder.

### DELIVERY POINT PRESSURE

City shall deliver gas at each Delivery Point designated in the Agreement at such pressures as are available from time to time.

### SCHEDULING AND NOMINATION INFORMATION

NAESB guidelines applicable to El Paso Natural Gas Company (or other interstate natural gas transmission pipeline) will be followed regarding nominating, confirming and scheduling gas receipts and deliveries, as they may be revised by the FERC from time to time. The Customer shall be responsible for directly contacting the City or its designee (collectively the "City") and the upstream interstate natural gas transmission pipeline(s) to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, however, that the Customer may designate one party to serve as its Agent for such purpose (collectively the "Customer"). The City and upstream interstate natural gas transmission pipeline(s) require that specific information be provided to successfully process each nomination. It is Customer's responsibility to satisfy the information requirements of both the City and the upstream interstate natural gas transmission pipeline(s).

### LIMITATION ON TRANSPORTATION OBLIGATIONS

Customer's day to day gas quantities are to be consumed and supplied at approximately a uniform rate. On any operating day, the City may refuse to accept quantities of gas that result in fluctuations in excess of twenty percent (20%) from the volumes transported during the previous operating day. Fluctuations in excess of twenty percent (20%) shall only be allowed if prior approval has been obtained from the City (or its designee). If not approved, the fluctuations shall be considered excess imbalances and be charged to the Customer as such.

### OPERATIONAL FLOW ORDERS

Customer shall voluntarily change its nomination upon twenty-four (24) hours' notice by City or its designee. If the Customer fails to respond to City's request voluntarily, City (or its designee) may issue an Operational Flow Order (OFO) at the end of the twenty-four (24) hour period. Such OFO shall establish Customer's nomination on City's system. All quantities tendered to and/or taken from City on a daily basis in violation of City's OFO shall constitute unauthorized receipts or deliveries for which a charge of three (3) times the rate under Gas Schedule No. GM3.6 shall be assessed for each Therm tendered to and/or taken from City on a daily basis in violation of City's OFO. Customer shall be exempt from cash-out for imbalance quantities that result from complying with City's OFO request(s) issued under this section.

### CURTAILMENT OF SERVICE

City (or its designee) shall use all reasonable efforts to provide transportation service to Customer. However, City (or its designee) shall curtail service to Customer on a pro-rata basis as necessary to assure continued service to all of City's customers or to meet a system emergency. City gas deliveries to Customer hereunder shall be subject to curtailment or interruption in whole or in part upon thirty (30) minutes notice, if practicable, by telephone or otherwise by City. During a period of curtailment, the City may, to the extent practicable, continue to accept delivery of Customer's gas and attempt to redeliver such gas at the Delivery Point(s).

### QUALITY OF GAS

All gas tendered to City shall meet all applicable specifications set out in Section 5 of the General Terms and Conditions (or successor provisions) of El Paso Natural Gas Company's (or other interstate natural gas transmission pipeline) FERC Gas Tariff.

### WARRANTY OF TITLE AND INDEMNIFICATION

Title to all gas transported hereunder will at all times remain with the Customer. Customer shall warrant that it shall have good title to all gas transported under this Schedule, and Customer shall agree to fully defend, protect, indemnify, and hold harmless City (or its designee) from and against any claim, demand, cost (including attorney fees and court costs), liability, injury, damage, or judgment made or asserted against City (or its designee) resulting from any dispute regarding title to Customer's gas.

Prior to Customer's tender of Gas to City at the Point of Receipt, as between Customer and City, Customer shall be deemed to be in control and possession of the Gas transported under this Schedule. After City (or its designee) has received Customer's Gas at the Point of Receipt, City (or its designee) will be deemed in possession and control of Customer's Gas until City (or its designee) tenders the Gas to Customer at the Point of Delivery. Upon City's (or its designee) delivery of gas to Customer at the Delivery Point, Customer shall be deemed to be in possession and control of the gas.

When the gas is in the control and possession of a Party, such possessing Party agrees to fully defend, protect, indemnify, and hold harmless the non-possessing Party, its agents, employees, subcontractors, and persons for whom the non-possessing Party is responsible, from and against any claim, demand, cost (including attorney fees and court costs), liability (including strict liability), injury, damage, or judgment made or asserted against such non-possessing Party, its agents, employees, and subcontractors, resulting from damage, loss of whatever kind or character arising out of or in connection with the operation of facilities or the handling of gas by the possessing Party, its agents, employees, subcontractors, and persons for whom the possessing Party is responsible in connection with the performance under this Schedule. Such indemnification shall exclude damage or losses caused by the sole negligence or fault of the non-possessing Party, its agents, employees, and subcontractors.

### CONSTRUCTION, INSTALLATION, AND MAINTENANCE OF FACILITIES

City shall install, at Customer's expense, all necessary equipment to transport gas, including, but not limited to, pipelines, meters, regulators, and electronic flow measurement and telemetry (EFM) equipment, which will permit continuous monitoring of Customer's usage. Customer shall provide a physical location of land suitable to locate the necessary metering and regulating equipment. All such equipment shall be owned, operated and maintained by City.

Customer also shall supply, at its own expense, an electric supply and telephone line, if applicable, as well as a site suitable on which to locate the EFM equipment, to accommodate EFM data transmission to City. City shall provide Customer with access to the EFM data generated by City's equipment at Customer's request and expense. City shall own, operate and maintain all EFM equipment.

Customer shall also be responsible for all costs associated with any distribution infrastructure or upstream infrastructure costs required to provide transportation service to the Customer and which City can demonstrate are a result of the customer's transportation service. All such facilities shall be installed and owned by the City.

### OTHER TERMS AND CONDITIONS

Service hereunder is subject to City's Terms and Conditions for the Sale of Utilities.

UTILITY RATES FOR INTERDEPARTMENTAL SALES

DISTRICT COOLING:

D6.1 Interdepartmental District Cooling Use Schedule D3.1 (less tax)

ELECTRIC:

E6.1 Interdepartmental Electric Sales-Without Demand Meter: \$0.07140 per kWh for all kWh

E6.2 Interdepartmental Electric Sales-With Demand Meter:

Demand Charge: \$2.50 /KW first 220 KW over 10 KW, plus  
\$1.17 /KW all additional KW and

Energy Charge: \$0.06863 /kWh first 4000 kWh, plus  
\$0.02720/kWh all additional kWh

E6.6 Interdepartmental Dusk To Dawn Lighting Service Use Schedule E3.2

ADJUSTMENTS:

AN ELECTRIC ENERGY COST ADJUSTMENT FACTOR ("EECAF") OF \$0.01039/KWH SHALL BE IMPLEMENTED ON NOVEMBER 1, 2004. THE EECAF SHALL BE ADJUSTED ANNUALLY THEREAFTER, AND THE ADJUSTMENT SHALL BECOME EFFECTIVE THE FIRST BILLING CYCLE OF NOVEMBER OF EACH YEAR. THE EECAF SHALL BE ADDED TO THE DISTRIBUTION ELEMENT OF THE ENERGY CHARGE SHOWN ABOVE. THE EECAF SHALL BE CALCULATED ACCORDING TO THE FOLLOWING FORMULA:

EECAF = (BF - FRCR + DELTA) / B KWH  
EECAF = ELECTRIC ENERGY COST ADJUSTMENT FACTOR  
FRCR = FUEL RELATED REVENUE FROM CURRENT RATES  
BF = CURRENT BUDGET FOR FUEL AND PURCHASED POWER COSTS, INCLUDING ADJUSTMENTS FOR KNOWN AND MEASURABLE CHANGES TO ACTUAL HISTORICAL COSTS  
B KWH = CURRENT BUDGET ENERGY SALES FORECAST IN KILOWATT-HOURS, INCLUDING ADJUSTMENTS FOR KNOWN AND MEASURABLE CHANGES TO ACTUAL HISTORICAL SALES  
FISCAL YEAR = JULY 1 TO JUNE 30  
DELTA = ACCUMULATED DIFFERENCE OF ACTUAL REVENUE AND BF  
ACTUAL REVENUE = ACTUAL ENERGY SALES X ((FRCR/B KWH) + EECAF)

USING THE FORMULA ABOVE, AN INTERIM ADJUSTMENT SHALL BE MADE WHEN DELTA IS FORECASTED FOR THE END OF THE FISCAL YEAR TO BE GREATER THAN 2% OR LESS THAN -2% OF BF.

ANNUAL AND INTERIM ADJUSTMENTS TO THE EECAF SHALL BE SHOWN ON THE TARIFF ADJUSTMENT SHEET.

GAS:

G6.1	Interdept. Gas Service-General	Use Schedule G3.1 (less tax)
G6.2	Interdept. Gas Service-Air Conditioning	Use Schedule G3.6 (less tax)
G6.5	Interdept. Gas Service-Cogeneration	Use Schedule G3.5 (less tax)
G6.9	Interdept. Gas Service-Compressed	Use Schedule G3.9 (less tax)
G6.10	<b>Interdept Gas Service- Large General Service</b>	<b>Use Schedule G6.3 (less tax)</b>

SOLID WASTE:

R6.1	Interdept. Containerized Commercial Solid Waste Service-Bins	Use Schedule R3.5
R6.2	Interdept. Commercial Businesses and Multi-Unit Dwellings with Greater than Twenty units for Recycling and Solid Waste Services [First 90/60 gallon container 1xwk solid waste collection and 1xwk recycling]	Use Schedule R3.8
R6.21	Interdept. Commercial Businesses and Multi-Unit Dwellings with Greater than Twenty units for Recycling and Solid Waste Services [Additional 90/60 gallon container 1xwk solid waste collection on same service day]	Use Schedule R3.81
R6.22	Interdept. Commercial Businesses and Multi-Unit Dwellings with Greater than Twenty units for Recycling and Solid Waste Services [Twice per week solid waste collection]	Use Schedule R3.82

WASTEWATER:

S6.1	Interdept. General Commercial Wastewater Service Inside the City	Use Schedule S3.1
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WATER, WATER IRRIGATION AND RECLAIMED WATER:

I6.1	Interdept. Irrigation Water	Use Schedule I3.1 (less tax)
W6.1	Interdept. Western Zone	Use Schedule W3.1 (less tax)
W60.1	Interdept. Western Zone Fire Line Detection Meters (FLDM)	Use Schedule W30.1 (less tax)
W6.2	Interdept. RWCD Zone	Use Schedule W3.2 (less tax)
W60.2	Interdept. RWCD Zone (FLDM)	Use Schedule W30.2 (less tax)
W6.3	Interdept. Eastern Zone	Use Schedule W3.3 (less tax)
W60.3	Interdept. Eastern Zone (FLDM)	Use Schedule W30.3 (less tax)
W6.4	Interdept. Eastern Zone/Desert Sage Pressure Zone	Use Schedule W3.4 (less tax)
W60.4	Interdept. Eastern Zone/Desert Sage Pressure Zone (FLDM)	Use Schedule W30.4 (less tax)
W6.5	Interdept. Eastern Zone/County Line Pressure Zone	Use Schedule W3.5 (less tax)
W60.5	Interdept. Eastern Zone/County Line Pressure Zone (FLDM)	Use Schedule W30.5 (less tax)
W6.6	Interdept. Eastern Zone/Apache Junc Pressure Zone	Use Schedule W3.6 (less tax)
W60.6	Interdept. Eastern Zone/Apache Junc Pressure Zone (FLDM)	Use Schedule W30.6 (less tax)
W6.7	Interdept. Eastern Zone/Range Rider Pressure Zone	Use Schedule W3.7 (less tax)
W60.7	Interdept. Eastern Zone/Range Rider Pressure Zone (FLDM)	Use Schedule W30.7 (less tax)

WR6.1	Interdept. Reclaimed Water Service Western Zone for direct use non-potable water which has and retains the characteristics of water as set forth in A.R.S. § 45-101(4) that is delivered from the City's Northwest Water Reclamation Plant (NWWRP)	
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\$0.04438 per 1,000 gallons for all such water used

UTILITY RATES FOR PUBLIC AUTHORITIES (INCLUDING ESCOBEDO PROJECT)

SCHEDULE

ELECTRIC: (Effective 08/01/94)

E7.1 Hospitals	Use Schedule E3.1 (less tax)
E7.2 Federal Government	Use Schedule E3.1
E8.1 State, County & Other Local Governments	Use Schedule E3.1
E9.1 Public Authorities (Schools)	Use Schedule E3.1

GAS: (Effective 08/01/05)

G7.1 Hospitals	Use Schedule G3.1 (less tax)
G7.2 Federal	Use Schedule G3.1
G7.3 Federal-Large General Gas Svc, Firm	Use Schedule G3.6
G7.4 Federal-Transportation	Use Schedule G6.3
G7.5 Hospitals-Large General Gas Svc, Firm	Use Schedule G3.6 (less tax)
G7.6 Hospitals-Transportation	Use Schedule G6.3 (less tax)
<del>G7.7 Hospitals-General Gas Svc, Interruptible</del>	<del>Use Schedule G3.4 (less tax)</del>
G8.1 State, County, & Other Local Governments	Use Schedule G3.1
G8.2 State, County & Other Local Governments-Large General Gas Svc, Firm	Use Schedule G3.6
G8.3 State, County & Other Local Governments-Gas Svc, Transportation	Use Schedule G6.3
G9.1 Schools	Use Schedule G3.1
G9.2 Schools-Large General Gas Svc, Firm	Use Schedule G3.6
G9.3 Schools-Large General Gas Svc, Transportation	Use Schedule G6.3

(Effective 07/30/2008)

GM9.1 Schools in the Magma Service Area	Use Schedule GM3.1
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(Effective 7/30/10)

GM7.1 Hospitals Magma Service Area	Use Schedule GM3.1 (less tax)
GM7.2 Federal Magma Service Area	Use Schedule GM3.1
GM7.3 Federal-Magma Large Gen. Gas Svc	Use Schedule GM3.6
GM7.4 Federal-Magma Transportation	Use Schedule GM6.3
GM7.5 Hospitals-Magma Large Gen Gas Svc	Use Schedule GM3.6 (less tax)
GM7.6 Hospitals-Magma Transportation	Use Schedule GM6.3 (less tax)
GM8.1 State, County, & Other Local Governments Magma	Use Schedule GM3.1
GM8.2 State, County & Other Local Governments-Magma Large General Gas Svc	Use Schedule GM3.6
GM8.3 State, County & Other Local Governments-Magma Transportation	Use Schedule GM6.3
GM9.2 Schools-Magma Large General Gas Svc	Use Schedule GM3.6
GM9.3 Schools- Transportation	Use Schedule GM6.3

SOLID WASTE: (Effective 08/01/97)

R7.1	Hospitals	Use Schedule R3.5
R7.2	Federal Government	Use Schedule R3.5
R8.1	State, County & Other Local Governments	Use Schedule R3.5
R9.1	Public Authorities (Schools)	Use Schedule R3.5

WASTEWATER: (Effective 08/01/97)

S7.1	Hospitals	Use Schedule S3.1
S7.2	Federal Government	Use Schedule S3.1
S7.4	Hospitals-Outside City	Use Schedule S4.1
S8.1	State, County & Other Local Governments	Use Schedule S3.1
S9.1	Public Authorities (Schools)	Use Schedule S3.1

WATER AND IRRIGATION WATER: (Effective 08/01/97)

Western Zone

I7.1	Hospitals-Irrigation Water	Use Schedule I3.1 (less tax)
I7.2	Federal Government-Irrigation Water	Use Schedule I3.1
I8.1	State, County & Other Local Governments-Irrigation Water	Use Schedule I3.1
I9.1	Public Authorities (Schools)-Irrigation Water	Use Schedule I3.1
W7.1	Hospitals	Use Schedule W3.1 (less tax)
W5.1	Federal Government Water Service	Use Schedule W3.1
W8.1	State, County & Other Local Governments	Use Schedule W3.1
W5.8	Public Authorities (Salt River Pima Indian Community)	Use Schedule W3.1 (less tax)
W9.1	Public Authorities (Schools)	Use Schedule W3.1
W9.2	Public Authorities (Schools)	Use Schedule W3.2
W9.3	Public Authorities (Schools)	Use schedule W3.3
W40.1	Multi-Dwelling Units	Use Schedule W30.1
W50.1	Federal Government Water Service	Use Schedule W30.1
W70.1	Hospitals	Use Schedule W30.1 (less tax)
W80.1	State, County & Other Local Governments	Use Schedule W30.1
W90.1	Public Authorities (Schools)	Use Schedule W30.1

RWCD Zone

W7.2	Hospitals	Use Schedule W3.2 (less tax)
W5.2	Federal Government Water Service	Use Schedule W3.2
W8.3	State, County & Other Local Governments	Use Schedule W3.2
W9.2	Public Authorities (Schools)	Use Schedule W3.2
W40.2	Multi-Dwelling Units	Use Schedule W30.2
W50.2	Federal Government Water Service	Use Schedule W30.2
W70.2	Hospitals	Use Schedule W30.2
W80.2	State, County & Other Local Governments	Use Schedule W30.2
W90.2	Public Authorities (Schools)	Use Schedule W30.2

UTILITY RATES FOR PUBLIC AUTHORITIES (INCLUDING ESCOBEDO PROJECT)

City of Mesa  
Mesa, Arizona

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Eastern Zone

W7.3 Hospitals	Use Schedule W3.3 (less tax)
W5.3 Federal Government Water Service	Use Schedule W3.3
W8.4 State, County & Other Local Governments	Use Schedule W3.3
W9.3 Public Authorities (Schools)	Use Schedule W3.3
W40.3 Multi-Dwelling Units	Use Schedule W30.3
W50.3 Federal Government Water Service	Use Schedule W30.3
W70.3 Hospitals	Use Schedule W30.3 (less tax)
W80.3 State, County & Other Local Governments	Use Schedule W30.3
W90.3 Public Authorities (Schools)	Use Schedule W30.3

Desert Sage Pressure Zone

W7.4 Hospitals	Use Schedule W3.4 (less tax)
W5.4 Federal Government Water Service	Use Schedule W3.4
W8.5 State, County & Other Local Governments	Use Schedule W3.4
W9.4 Public Authorities (Schools)	Use Schedule W3.4
W40.4 Multi-Dwelling Units	Use Schedule W30.4
W50.4 Federal Government Water Service	Use Schedule W30.4
W70.4 Hospitals	Use Schedule W30.4 (less tax)
W80.4 State, County & Other Local Governments	Use Schedule W30.4
W90.4 Public Authorities (Schools)	Use Schedule W30.4

County Line Pressure Zone

W7.5 Hospitals	Use Schedule W3.5 (less tax)
W5.5 Federal Government Water Service	Use Schedule W3.5
W8.6 State, County & Other Local Governments	Use Schedule W3.5
W9.5 Public Authorities (Schools)	Use Schedule W3.5
W40.5 Multi-Dwelling Units	Use Schedule W30.5
W50.5 Federal Government Water Service	Use Schedule W30.5
W70.5 Hospitals	Use Schedule W30.5 (less tax)
W80.5 State, County & Other Local Governments	Use Schedule W30.5
W90.5 Public Authorities (Schools)	Use Schedule W30.5

Apache Junction Pressure Zone

W7.6 Hospitals	Use Schedule W3.6 (less tax)
W5.6 Federal Government Water Service	Use Schedule W3.6
W8.7 State, County & Other Local Governments	Use Schedule W3.6
W9.6 Public Authorities (Schools)	Use Schedule W3.6
W40.6 Multi-Dwelling Units	Use Schedule W30.6
W50.6 Federal Government Water Service	Use Schedule W30.6
W70.6 Hospitals	Use Schedule W30.6 (less tax)
W80.6 State, County & Other Local Governments	Use Schedule W30.6
W90.6 Public Authorities (Schools)	Use Schedule W30.6

Range Rider Pressure Zone

W7.7 Hospitals	Use Schedule W3.7 (less tax)
W5.7 Federal Government Water Service	Use Schedule W3.7
W8.8 State, County & Other Local Governments	Use Schedule W3.7
W9.7 Public Authorities (Schools)	Use Schedule W3.7
W40.7 Multi-Dwelling Units	Use Schedule W30.7
W50.7 Federal Government Water Service	Use Schedule W30.7
W70.7 Hospitals	Use Schedule W30.7 (less tax)
W80.7 State, County & Other Local Governments	Use Schedule W30.7
W90.7 Public Authorities (Schools)	Use Schedule W30.7