



ORDINANCE No. 2023-17

**AN ORDINANCE
ADOPTING AMENDED NATURAL GAS RATES FOR
THE DEPARTMENT OF PUBLIC UTILITIES EFFECTIVE ON NOVEMBER 8, 2023**

BE IT ORDAINED BY THE CITY COUNCIL DULY ASSEMBLED, that the following natural gas rates generally set forth below and specifically set forth in Exhibit "A" consisting of four (4) typewritten pages attached hereto and made a part hereof by reference are adopted and declared effective and in full force on November 8, 2023.

Amended Gas Rates

Natural Gas Rate – Code 3D – Interruptible Service

Natural Gas Rate – Code 3E – Contract Demand Service

DONE AND RATIFIED by City Council duly assembled this 7th day of November, 2023.



Michael C. Bull
Mayor
[Signature]
Jayda Skotes
L. Zimmerman
[Signature]
Rehobert S. Sotomayor
[Signature]
Members of Council

ATTEST:

Jayda Masaniel
City Clerk

First Reading: October 3, 2023
Second Reading: October 17, 2023
Public Hearing: November 7, 2023
Third Reading: November 7, 2023

Gas Rate – Code 3D

Interruptible Service

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Applicable:

As a convenience to Customers who do not desire to transport gas, this Rate Schedule is applicable to any Customer having requirements in excess of 1,000 dekatherms per month and who elects to take service hereunder. Customers served hereunder must have adequate standby facilities to meet requirements in the event of service interruption or curtailment, or takes Contract Service under the Department's Contract Demand Sales Rate Schedule (Rate Code 3E). Service under this Rate Schedule is not available to any Customer who transports gas under the Department's Gas Transportation Rate Schedule (Rate Code 3G). Service hereunder is interruptible and may be interrupted or curtailed by the Department at any time. In order to receive service hereunder, Customer must execute a service agreement and provide and pay for the cost of suitable communication equipment and power source (including any ongoing monthly charges) for Department installed flow computer and other metering equipment.

Monthly Rate:

Customer will pay monthly for service based on separately applied charges for Interruptible Gas Supply, Distribution, and Customer Service components. The monthly rate charged by the Department is intended to equal the rate Customer would pay if Customer contracted directly for interruptible upstream capacity from Carolina Gas Transmission (CGT) and Southern Natural Gas (SNG) plus Department's cost of gas.

Supply Charge:

Customer will pay monthly for all interruptible gas consumed by Customer based on the sum of:

1. The price paid by the Department for its system gas supply, as adjusted for losses, plus
2. The rate charged per Dth by CGT for interruptible transportation service pursuant to CGT's Rate Schedule IT Zone 1, plus fuel and variable cost, as adjusted for losses, plus
3. The rate charged per Dth by SNG for interruptible transportation service pursuant to SNG's Rate Schedule IT Zone 1 to Zone 3, plus fuel and variable cost, as adjusted for losses, plus
4. \$0.05 per Dth delivered.

Distribution Charge:

\$1.050 per dekatherm delivered

Service Charge:

\$300.00 per bill - In the event the Customer pays a Customer Service Charge pursuant to the Department's Contract Demand Service Gas Sales Rate Schedule (Rate Code 3E), this charge will be waived.

Scheduling:

Customer is responsible for scheduling deliveries with the Department (or the Department's agent) five days before the beginning of each billing month. Should Customer fail to schedule deliveries, the Department will assign a scheduled quantity equal to the quantity previously scheduled by Customer.

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Balancing:

Customer is responsible for balancing actual deliveries with scheduled quantities on a monthly basis. To the extent Customer's failure to balance actual deliveries with scheduled quantities contributes to any penalty or additional cost to the Department, Customer shall reimburse Department for such additional cost.

Competitive Pricing Provisions:

In the event the Customer can demonstrate that the Customer's as-fired price of alternative fuel is less than the level of the charges determined as set forth above, the Department, at its sole discretion may reduce the Interruptible Gas Supply Charge to a level, which when added to the Department's Distribution Charge, is competitive with the as-fired cost of the Customer's alternative fuel. In no event will the Department reduce the Interruptible Gas Supply Charge to a level less than the Department's out-of-pocket cost of gas.

In the event that the Customer's as-fired price of alternative fuel is less than the level of the charges determined as set forth above, with the Interruptible Gas Supply Charge reduced to its minimum, the Department, at its sole discretion may reduce its Distribution Charge. In no event will the Department reduce its Distribution Charge below \$0.05 per dekatherm.

Unauthorized Deliveries:

The Department retains the right to discontinue interruptible service on one-hour's notice for as long as necessary to protect economic deliveries to its firm customers. During periods of interruption or curtailment, all deliveries to the Customer in excess of any Contract Demand that the Customer may have for Contract Demand Service will be considered unauthorized. Unauthorized Deliveries will be subject to a daily Cost of Gas (as defined at time of curtailment (in addition to all other charges) a \$25.00 per dekatherm penalty plus any penalty or other charges incurred by the Department attributable to Customer's failure to limit deliveries to authorized levels. The above Competitive Pricing Provision will not apply to Unauthorized Deliveries.

Cost of Gas will be defined as the highest price shown among Transco points and South Louisiana-Southern Natural in the "AVG" column of the cash market price table published in the NGI Daily Gas Price Index.

Distribution Integrity Management Plan Charge:

A Distribution Integrity Management Plan ("DIMP") Charge will be assessed on each therm delivered based on eligible DIMP costs incurred by the Department.

Note: "General Terms and Conditions" in effect apply to above.

Effective: November 8, 2023

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Applicable:

This rate schedule is applicable to any Customer who has entered into a Service Agreement that specifies a Contract Demand for the purchase of gas under this Rate Schedule. Service under this Rate Schedule is dependent upon the Department successfully securing the rights to any additional capacity which the Department in its sole opinion, determines is required in order to serve the Customer and continue economic service to existing firm service customers. Service under this rate schedule is first through the meter. All quantities of natural gas delivered to the Customer on any day in excess of Contract Demand are considered interruptible. At Customer's option, such interruptible deliveries will be supplied by the Department pursuant to the terms and conditions of the Department's Interruptible Service Gas Sales Rate Schedule (Code 3D) or Gas Transportation Service Rate Schedule (Code 3G). All deliveries in excess of Contract Demand must be scheduled by Customer. In order to receive service hereunder, Customer must provide and pay for the cost of suitable communication equipment and power source (including any ongoing monthly charges) of Department installed flow computer and other metering equipment.

Monthly Rate:

Customer will pay monthly for service based on separately applied charges for Contract Demand Gas Supply – Demand, Contract Demand Gas Supply – Commodity, Distribution, and Customer Service components. The monthly rate charged by the Department is intended to equal the rate Customer would pay if Customer contracted directly for firm upstream transportation capacity from Carolina Gas Transmission Corporation (CGT) and Southern Natural Gas (SNG) plus Department's cost of gas.

Contract Demand Gas Supply – Demand Charge:

Customer will pay monthly for each dekatherm of Contract Demand, the Department's Contract Demand Gas Supply – Demand Charge. The Department's Contract Demand Gas Supply – Demand Charge is the maximum rate (as adjusted for losses) related to demand and/or reservation charges associated with the delivery of gas to the Department transported pursuant to CGT's FT Firm Transportation Service Rate Schedule for Zone 1 and SNG's Firm Transportation Service Rate Schedule Zone 1 to Zone 3, as adjusted for losses. Costs include all demand related costs associated with the transportation of such gas by CGT and SNG.

Contract Demand Gas Supply – Commodity Charge:

Customer will pay monthly for each dekatherm delivered, the Department's Contract Demand Gas Supply – Commodity Charge. The Department's Contract Demand Gas Supply – Commodity Charge is the sum of:

1. The price paid by the Department for its system gas supply, as adjusted for losses, plus
2. The commodity rate charged per Dth by Carolina Gas Transmission (CGT) for firm transportation service pursuant to CGT's Rate Schedule FT Zone 1, plus fuel and variable cost, as adjusted for losses, plus
3. The rate charged per Dth by Southern Natural Gas (SNG) for firm transportation service pursuant to SNG's Rate Schedule FT Zone 1 to Zone 3, plus fuel and variable cost, as adjusted for losses, plus
4. \$0.05 per Dth delivered.

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Distribution Charge:

Demand Charge: \$3.30 per dekatherm of Contract Demand
Commodity Charge: \$1.050 per dekatherm delivered

Customer Service Charge:

\$300.00 per bill

Minimum:

The monthly minimum charge is the Contract Demand Gas Supply – Demand Charge plus the Distribution Demand Charge plus the Customer Service Charge.

Deliveries in Excess of Contract Demand:

Daily deliveries in excess of the Customer's Contract Demand are considered Interruptible Sales delivered to Customer pursuant to the Department's Interruptible Service Gas Sales Rate Schedule (Rate Code 3D) or transportation gas delivered to Customer pursuant to the Department's Gas Transportation Service Rate Schedule (Rate Code 3G). Customer shall designate in its service agreement for Contract Demand Service whether Customer will purchase or transport volumes in excess of Contract Demand. Customer will be billed monthly for daily deliveries in excess of Contract Demand on the basis of the rate charges and terms and conditions set forth in either the Department's Interruptible Service Gas Sales Rate Schedule (Rate Code 3D) or Department's Gas Transportation Service Rate Schedule (Rate Code 3G).

Distribution Integrity Management Plan Charge:

A Distribution Integrity Management Plan ("DIMP") Charge will be assessed on each therm delivered based on eligible DIMP costs incurred by the Department.

Note: "General Terms and Conditions" in effect apply to above.

Effective: November 8, 2023