

WN U-2

Fourth Revision of Sheet No. 35
Canceling
Third Revision of Sheet No. 35

PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 21: Firm Service Priority (Continued)

(T)

The Company may curtail firm service for force majeure or other limited period of approximately seven days or less without reference to the priorities listed above should such Curtailment or further Curtailment become necessary.

(T)
(T)

The Company will endeavor to give advance notice of any limitation of gas imposed under this rule as far in advance of actual Curtailment as conditions permit, but in no event less than two hours' notice unless prevented from doing so by force majeure conditions.

(T)
(T)

Section 4: Unauthorized Use Charge

1. The Company is entitled to collect an unauthorized use charge from any Customer receiving gas in violation of a Curtailment notice issued by the Company under this rule. The unauthorized use charge will be computed upon unauthorized quantities at the rate per therm as follows:

(T)
(T)

- Effective September 4, 2009 – \$10.00
- Effective September 1, 2010 – \$11.00
- Effective September 1, 2011 – \$12.00
- Effective September 1, 2012 – \$13.00
- Effective September 1, 2013 – \$14.00
- Effective September 1, 2014 – \$15.00

(C)
(N)
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(N)

and will accrue in addition to the regular charges incurred under the firm rate schedule under which the Customer is normally billed. Payment of the unauthorized use charge shall not entitle the Customer to take unauthorized quantities of gas nor shall it exclude or limit any remedies the Company may have available to it to prevent such unauthorized use, including physical discontinuance of service to such Customer. The unauthorized use charge will be assessed on an hourly basis where hourly consumption data is available or on a prorated basis where hourly data is not available.

(T)
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(T)(N)
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(N)

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Tom DeBoer

Tom DeBoer

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Third Revision of Sheet No. 37-A
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Second Revision of Sheet No. 37-A

PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

4. Unauthorized Volumes: Gas consumed during a Curtailment Period in excess of the firm contracted amount listed in the Customer's service agreement; and greater than the Interruptible Volumes authorized by the Company, if only a partial Service Curtailment is implemented. Unauthorized Volumes include volumes described in Rule 29, Terms of Distribution System Transportation Service, Section 7, Unauthorized Use of Gas. (T)
(T)
(N)
(N)

Section 3: Types and Conditions of Service Curtailments

1. Supply Curtailment - The Company may initiate a partial or total Service Curtailment for any or all interruptible sales Customers under Schedules 85, 86, 87, or special contract Customers taking Interruptible Volumes, for one or more hours and/or days if, in the Company's sole determination: (T)
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|
a. the Company's contracted gas supply and/or upstream transportation capacity is insufficient to meet the expected total demands of firm and interruptible sales Customers, or (T)
|
b. the Company's storage inventory levels and/or deliverability may be insufficient to reliably serve the expected demands of firm sales Customers in future periods. (T)
2. Distribution Curtailment - The Company may initiate a partial or total Service Curtailment for any or all interruptible sales and transportation Customers under Schedules 85, 86, 87, 85T, 86T, 87T or special contracts for one or more hours and/or days if, in the Company's sole determination: (T)
|
(T)
a. the capacity of the Company's distribution system or any portion thereof, is insufficient to meet expected requirements for all firm and interruptible sales and transportation service Customers, or (T)
|
b. partial or total Service Curtailment is judged to be required to facilitate the repair or maintenance of the Company's distribution system, or to manage operating conditions and pressures on the Company's distribution system or any portion thereof. (T)

(Continued on Sheet No. 37-B)

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

- 3. Notwithstanding the priorities listed in paragraphs 1 and 2 of this section, the Company is not required to:
 - a. curtail service to any interruptible Customer(s) that the Company does not believe will contribute to alleviating the supply or distribution capacity constraint, or (T)
 - b. delay resuming service to any interruptible Customer because resumption of service to higher priority interruptible Customers involves specific operational procedures that would not affect the availability of service to other lower priority Customers, (such as manual meter reads at a Customer's premise or physically reestablishing service after a physical shut off of gas.) (T)
- 4. When resuming service to interruptible Customers following a Service Curtailment, the priority of service listed in paragraphs 1 and 2 of this section will be observed. However, the Company is not required to resume partial or total service simultaneously to all Customers in a priority class if it believes doing so will affect the system stability or otherwise adversely affect service to higher priority Customers. If necessary, interruptible service may be resumed to any or all Customers in any or all priority classes incrementally, to allow the Company an opportunity to ascertain system stability or otherwise manage its supply and/or distribution system. (T)

Section 5: Penalty for Unauthorized Use of Gas

- 1. Interruptible Customers are obligated to cease consuming Interruptible Volumes when notified by the Company. The following penalties will apply to consumption of Unauthorized Volumes (in addition to rates charged under the appropriate rate schedule). Penalties will be assessed on an hourly basis where hourly consumption data is available or on a prorated basis where hourly data is not available. (T)
- 2. Penalty for use of Unauthorized Volumes during Curtailment Period: Consumption of Unauthorized Volumes during the first two (2) hours of a Curtailment Period will be assessed a penalty equal to the Unauthorized Volume multiplied by the following rates per therm:
 - Effective September 4, 2009 – \$5.00 (N)
 - Effective September 1, 2010 – \$6.00
 - Effective September 1, 2011 – \$7.00
 - Effective September 1, 2012 – \$8.00
 - Effective September 1, 2013 – \$9.00
 - Effective September 1, 2014 – \$10.00 (N)

(Continued on Sheet No. 37-D)

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

Following the initial two (2) hours of a Curtailment Period Unauthorized Volumes will be assessed a penalty equal to the Unauthorized Volume multiplied by the following rates per therm: (N)

- Effective September 1, 2009 – \$10.00
- Effective September 1, 2010 – \$11.00
- Effective September 1, 2011 – \$12.00
- Effective September 1, 2012 – \$13.00
- Effective September 1, 2013 – \$14.00
- Effective September 1, 2014 – \$15.00

3. Additional Penalty: Consumption of Unauthorized Volumes during a Curtailment Period will also be assessed a penalty equal to the Unauthorized Volume multiplied by the average cost per therm of any penalties imposed upon the Company by upstream gas transmission provider(s) on the Gas Day(s) when the Customer consumed Unauthorized Volumes; (C)
(C)
(C)(D)

Section 6: No Rights Granted and Physical Curtailment

1. Interruptible Customers are not granted the right to consume Unauthorized Volumes by paying the penalties described above. The Company retains the right to physically curtail service to the meter of an interruptible Customer that is consuming Unauthorized Volumes if, in the Company's sole judgment, such actions are necessary to protect continuity of service to higher priority Customers. If service to an interruptible Customer consuming Unauthorized Volumes must be physically curtailed, the Company may physically shut off service to the Customer. If the Customer receives both firm and interruptible service through the same meter, such physical shut off will stop the flow of both Unauthorized Volumes and firm volumes. (T) (D)
2. Restoration of Service to Customers Physically Shut Off: The actual cost to restore service shall be charged for restoration of service following shut off of service that occurred in order to protect continuity of service to higher priority Customers. This charge based on actual cost replaces the otherwise applicable charge in Rule 9. (N)
(N)

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Tom DeBoer

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

3. To minimize the potential of physical shut off of gas for both firm and interruptible volumes, a Customer may request and pay the full cost for separate metering of firm and Interruptible Volumes in advance of Curtailment. However, said request must be sufficiently in advance of the date of Curtailment to allow the Company to obtain and install the additional meter. If a Customer with dual meters consumes Unauthorized Volumes through the firm meter, the Company may physically shut off service through both meters if, in the Company's sole judgment, such actions are necessary to protect the continuity of service to higher priority Customers. (T)

Section 7: Company's Liability

The Company shall not be liable to any Customer or any other person or entity for any Service Curtailment or any loss or damage caused thereby, including situations where the Company physically shuts off service to the Customer as provided above in section 6, stopping the flow of Unauthorized Volumes and/or firm volumes. (T)

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