SECTION D
GAS COST RECOVERY CLAUSE

GAS COST RECOVERY FACTORS

The following monthly gas cost recovery factors are authorized pursuant to Section B10, Gas Cost Recovery Clause:

	Maximum Authorized Factor /therm	Actual Billed Factor /therm
First Quarter		
April 2026	$0.51042	$0.51042
May 2026	$0.51042	$0.51042
June 2026	***$0.52084***	***$0.52084***
Second Quarter		
July 2026	$0.56840	$_____
August 2026	$0.56840	$_____
September 2026	$0.56840	$_____
Third Quarter		
October 2026	$0.56840	$_____
November 2026	$0.56840	$_____
December 2026	$0.56840	$_____
Fourth Quarter		
January 2027	$0.56840	$_____
February 2027	$0.56840	$_____
March 2027	$0.56840	$_____

(1) The maximum Gas Cost Recovery Factors shown above are subject to adjustment pursuant to the contingency mechanism. See Sheet No. D-2.0. The factors shown above are adjusted by the quarterly contingency mechanism.

(2) The Gas Cost Recovery factors shown above are the maximum authorized and the actual billed Gas Cost Recovery Factors the Company may charge (subject to the contingency mechanism adjustment). The Company will file a revised Sheet No. D-1.0 monthly or as necessary to reflect the factor to be billed the following month.

(3) The Company will file by December 30, 2026 for maximum Gas Cost Recovery Factors for April 2026 through March 2027. The Gas Cost Recovery Factor to be charged beginning April 2026 is authorized pursuant to §6(h)(9) of 1982 PA 304, as amended, MCL 460.6h et seq

GAS COST RECOVERY CLAUSE

GCR CEILING PRICE ADJUSTMENT (CONTINGENCY) MECHANISM

Pursuant to pursuant to §6(h)(9) of 1982 PA 304, as amended, MCL 460.6h et seq., the maximum Gas Cost Recovery Factors on Sheet No. D-1.0 may be increased or decreased, on a quarterly basis, for the remaining months of such GCR Plan year, contingent upon NYMEX futures prices changing to a level different from that which was incorporated in the calculation of the Commission approved GCR ceiling prices.

At least fifteen days before the beginning of each quarter, the Company shall file with the Michigan Public Service Commission an updated Sheet No. D-1.0, if the contingency calculation results in an increase or decrease to the existing GCR factors. The filing shall include all supporting documents necessary to verify the GCR factor change, including a copy of the calculation and copies of the NYMEX futures price sheet, for the first five trading days of the month, such sheets being an authoritative source used by the gas industry, along with any additional information deemed necessary to verify the GCR factor increase. The filing shall be incorporated in the GCR Plan Case ***U-21893***.

Calculation Methodology:

The GCR factors for each of the remaining months of the GCR Plan period shall be increased by ***$0.00634*** per therm for every $0.10 per MMBtu increase in the NYMEX natural gas futures contract prices using the table on Sheet D-3.0, where the Contingent GCR Ceiling price is based on the following formula:

New Factor = Original Factor + Adjustment

Definitions

New Factor = New maximum GCR factor ($/MMBtu).

Adjustment = ***0.6341*** * (NYMEX Increase)

NYMEX Increase = (NYMEX Ave. Futures Price – NYMEX avg. base price)

NYMEX Avg. Futures Price - Simple average of the actual NYMEX monthly natural gas futures contract prices (in $/MMBtu) for the remaining (n) months of the GCR Period based on the first five trading days: $\sum(\text{NYMEX futures price})_i$ / n.

NYMEX Avg. Base Price - Simple average of the actual NYMEX monthly natural gas futures contract prices (in $/MMBtu) for the remaining (n) months of the GCR Period, as incorporated in the approved GCR Plan: $\sum(\text{NYMEX base price})_i$ / n.

(Continued on Sheet No. D-3.0)

(To implement new GCR Ceiling Price Adjustment Mechanism in Case No. U-21893)

GAS COST RECOVERY CLAUSE
(Continued from Sheet No. D-2.0)

GCR CEILING PRICE ADJUSTMENT (CONTINGENCY) MECHANISM (contd)

Definitions (contd)

Quarters	(n)	Remaining Months
1st	12	(April ***2026*** – March ***2027***)
2nd	9	(July ***2026*** – March ***2027***)
3rd	6	(October ***2026*** – March ***2027***)
4th	3	(January ***2027*** – March ***2027***)

Contingent GCR Ceiling Factors

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
GCR Plan filed Factor	***$0.56840***	***$0.56840***	***$0.56840***	***$0.56840***
NYMEX Ave Base Price	***$4.2950***	***$4.4190***	***$4.5290***	***$4.5610***

Contingent GCR Ceiling Prices $/therm

Table for NYMEX Increases

NYMEX Increase	All Quarters	NYMEX Increase	All Quarters
< $0.10	**$0.57157**	< $1.60	**$0.66669**
< $0.20	**$0.57791**	< $1.70	**$0.67303**
< $0.30	**$0.58425**	< $1.80	**$0.67937**
< $0.40	**$0.59059**	< $1.90	**$0.68571**
< $0.50	**$0.59693**	< $2.00	**$0.69205**
< $0.60	**$0.60328**	< $2.10	**$0.69839**
< $0.70	**$0.60962**	< $2.20	**$0.70473**
< $0.80	**$0.61596**	< $2.30	**$0.71107**
< $0.90	**$0.62230**	< $2.40	**$0.71741**
< $1.00	**$0.62864**	< $2.50	**$0.72375**
< $1.10	**$0.63498**	< $2.60	**$0.73010**
< $1.20	**$0.64132**	< $2.70	**$0.73644**
< $1.30	**$0.64766**	< $2.80	**$0.74278**
< $1.40	**$0.65400**	< $2.90	**$0.74912**
< $1.50	**$0.66034**	< $3.00	**$0.75546**

Table for NYMEX Decreases

NYMEX Decrease	All Quarters	NYMEX Decrease	All Quarters
< $0.10	**$0.56523**	< $1.60	**$0.47011**
< $0.20	**$0.55889**	< $1.70	**$0.46377**
< $0.30	**$0.55255**	< $1.80	**$0.45743**
< $0.40	**$0.54621**	< $1.90	**$0.45109**
< $0.50	**$0.53987**	< $2.00	**$0.44475**
< $0.60	**$0.53352**	< $2.10	**$0.43841**
< $0.70	**$0.52718**	< $2.20	**$0.43207**
< $0.80	**$0.52084**	< $2.30	**$0.42573**
< $0.90	**$0.51450**	< $2.40	**$0.41939**
< $1.00	**$0.50816**	< $2.50	**$0.41305**
< $1.10	**$0.50182**	< $2.60	**$0.40670**
< $1.20	**$0.49548**	< $2.70	**$0.40036**
< $1.30	**$0.48914**	< $2.80	**$0.39402**
< $1.40	**$0.48280**	< $2.90	**$0.38768**
< $1.50	**$0.47646**	< $3.00	**$0.38134**

(continued on Sheet D-4.0)

Michigan Public Service Commission
May 26, 2026
Filed by: DW

(Continued from Sheet No. D-3.0)

SECTION D
RATE SCHEDULES

RATE CODES

Description	Rate Code
Residential Service	301
Commercial and Industrial General Service	302, 304
Commercial and Industrial Interruptible Use	303

(Continued on Sheet No.D-5.0)

Michigan Public Service Commission
April 1, 2008
Filed

(Continued from Sheet No. D-4.0)

SECTION D
RATE SCHEDULES

RESIDENTIAL SERVICE

Availability and Character of Service
The rate is available on a firm basis to any residential customer for the general use of natural gas, subject to Gas Curtailment Provisions currently on file with the Michigan Public Service Commission.

Gas sold hereunder shall not be resold.

Contract required if delivery of gas is above base pressure of approximately 7 inches of water column. A special contract may be executed when unusual or extraordinary conditions exist as provided in Section C8.

Net Monthly Rate

Customer charge
$***13.00*** per month, plus

Distribution charge
$0***.4217*** per therm, plus
This rate is subject to the Energy Waste Reduction Surcharge shown on Sheet No. D-12.0.

Gas cost charge
The monthly gas cost charge as set forth on Sheet Number D-1.0.

Minimum bill
The applicable customer charge.

Income Assistance Service Provision (RIA):
When service is provided to a Residential Customer, where total household income does not exceed 150% of the Federal Poverty level, a credit shall be applied during all billing months. The total household income is verified when the customer has provided proof that they have received, or are currently participating in, one of the following in the past 12 months:

1. A Home Heating Credit energy draft
2. State Emergency Relief
3. Assistance from a Michigan Energy Assistance Program (MEAP)
4. Medicaid
5. Supplemental Nutrition Assistance Program (SNAP)

If a customer does not meet any of the above requirements, a low-income verification form will be provided by the Company for the customer to complete and return.

The Company reserves the right to verify eligibility. This provision is not available for alternate or seasonal homes. The customer must re-certify annually.

(Continued on Sheet No. D-5.1)

Michigan Public Service Commission
December 29, 2025
Filed by: DW

(Continued from Sheet No. D-5.0)

The monthly credit for the Income Assistance Service Provision (RIA) shall be applied as follows:

Distribution Charges: These charges are applicable to Full-Service Customers.

Income Assistance Credit: **$(*13.00*)** per customer per month

If a credit balance occurs, the credit shall apply to the customer's future electric utility charges.

Rules & Regulations

Service is subject to orders of regulatory bodies having jurisdiction and to Company's Rules and Regulations currently on file in Company's offices.

(Continued on Sheet No. D-6.0)

Michigan Public Service Commission
December 29, 2025
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(Continued from Sheet No. D-5.1)

SECTION D
RATE SCHEDULES

COMMERCIAL AND INDUSTRIAL GENERAL SERVICE

Availability and Character of Service
The rate is available on a firm basis to any commercial or industrial customer for the general use of natural gas, subject to Gas Curtailment Provisions currently on file with the Michigan Public Service Commission.

Gas sold hereunder shall not be resold.

Contract required if delivery of gas is above base pressure of approximately 7 inches of water column. A special contract may be executed when unusual or extraordinary conditions exist as provided in Section C8.

Net Monthly Rate

Customer charge
$***25.00*** per month, plus
This rate is subject to the Energy Waste Reduction Surcharge shown on Sheet No. D-12.0.

Distribution charge
$0***.2945*** per therm, plus

Gas cost charge
The monthly gas cost charge as set forth on Sheet Number D-1.0.

Minimum bill
The applicable customer charge plus Energy Waste Reduction Surcharge.

Rules and Regulations
Service is subject to orders of regulatory bodies having jurisdiction and to Company's Rules and Regulations currently on file in Company's offices.

(Continued on Sheet No. D-7.0)

(Continued from Sheet No. D-6.0)

SECTION D
RATE SCHEDULES

COMMERCIAL AND INDUSTRIAL - INTERRUPTIBLE USE

Availability and Character of Service
This rate is available under contract on an interruptible basis for commercial or industrial loads (including space heating) to customers who agree: (1) to curtail use of gas whenever requested by the Company; (2) to provide and maintain adequate standby facilities suitable to the Company; (3) to have available at all times sufficient standby fuel to maintain a continuous fuel supply during periods of curtailment in the delivery of gas sold hereunder; and (4) shall have fuel requirements of 25,000 therms per year, or more. Subject, however, to the Gas Curtailment Provisions currently on file with the Michigan Public Service Commission. Gas sold hereunder shall not be resold.

Contract required for service hereunder with a term of not less than one year.

A special contract may be executed when unusual or extraordinary conditions exist as provided in Section C8.

Net Monthly Rate

Customer charge
$***100.00*** per month, plus
This rate is subject to the Energy Waste Reduction Surcharge shown on Sheet No. D-12.0.

Distribution charge
$0***.1274*** per therm, plus

Gas cost charge
The monthly gas cost charge as set forth on Sheet Number D-1.0.

Unauthorized Use Penalties
If customer fails to curtail use of gas when requested to do so by the Company, the customers will be subject to the Penalties for unauthorized take set forth on Section C-3.3(K).

Minimum annual charge
The minimum annual charge shall be $1,000 subject to a discount of $5.00 for each full 24 hours that service is not available in each 12-month period covered under the contract plus Energy Waste Reduction Surcharge.

Rules and Regulations
Service is subject to orders of regulatory bodies having jurisdiction and the Company's Rules and Regulations currently on file in the Company's offices.

(Continued on Sheet No. D-8.0)

Michigan Public Service Commission
December 29, 2025
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(Continued from Sheet No. D-7.0)

SECTION D
RATE SCHEDULES

BACKUP CAPACITY SERVICE

Availability and Character of Service:

Available to all customers. Company provides and reserves interstate pipeline capacity for use during period of curtailment as described beginning on Sheet Number C-8.0.

Rate: Backup Capacity Charge per Month

The Back-up Capacity Charge - Entitlement rate per month shall be the Company's total estimated annual Michigan peak day capacity cost divided by the projected Michigan system peak requirement, divided by twelve months, rounded to the nearest 1 cent per MMBtu of entitlement.

Natural gas commodity may be supplied under Back-up Supply Service (Rate Sheet D-9.0).

Special Conditions:

1. Customer shall execute a service agreement with Company for a minimum of one year.
2. All revenue collected under this schedule shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.

(Continued on Sheet No.D-9.0)

Michigan Public Service Commission
April 1, 2008
Filed

(Continued from Sheet No. D-8.0)

SECTION D
RATE SCHEDULES

BACKUP SUPPLY SERVICE

Availability and Character of Service:

Available to Transportation Service customers. Company supplies natural gas on a best efforts basis for customer's use when their gas supply is not available. Gas delivered will be delivered as nominated and will be subject to both the Daily Scheduling Provision and Monthly Balancing Provision.

Rate: Backup Supply Usage Charge per Therm
Rate per therm is equal to the current GCR Factor as set forth on Sheet No. D-1.0.

Special Conditions:

1. Company will provide service under this schedule on a best efforts basis. Service under this schedule during a curtailment as described beginning on Sheet No. C-8.0 is available only to customers receiving Backup Capacity Service provided by Company.
2. All revenue collected under this schedule shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.

(Continued on Sheet No.D-10.0)

Michigan Public Service Commission
April 1, 2008
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(Continued from Sheet No. D-9.0)

SECTION D
RATE SCHEDULES

BACKUP CONSTRAINT DAY SERVICE

Availability and Character of Service:

Available to interruptible and transportation customers during an interruption or curtailment period, should the customer desire to remain on gas service rather than switch to their alternate fuel, if such service can be arranged by Company. Company will supply natural gas service on a best efforts basis during periods when an interruption or curtailment to interruptible service has been issued by the Company.

Rate: $0.50 per therm plus the incremental cost of gas supplies for the period involved.

Special Conditions:

1. Company will provide this service if customer notifies Company of their desire to receive service and agrees to the pricing of available incremental supplies.
2. Company will not provide this service if firm service customers are adversely affected.
3. Customers requesting this service must notify Company of their desire to receive the service prior to commencement of this service.
4. Customers receiving this service must agree in writing to the quantity of gas to be supplied and the duration of service. Gas used prior to or in excess of the authorization issued by the Company will be billed under terms of the Penalty for Unauthorized Take provision included in Section C-3.3 (K)
5. Company may refuse, curtail or interrupt the supply of gas provided under this service at any time if Company's supply of gas is not adequate to provide such service.
6. If requests for this service exceed the available supply of gas, priority for the provision of the service will be given to public interest facilities such as hospitals, nursing homes, custodial institutions, etc. then on a first come first served basis.
7. All revenue collected under this schedule shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.

(Continued on Sheet No. D-11.0)

Michigan Public Service Commission
April 1, 2008
Filed

(Continued from Sheet No. D-10.0)

SECTION D
RATE SCHEDULES

MISCELLANEOUS UTILITY CHARGES

Equipment Tampering:

Customer will reimburse the Company for all damages and losses associated with interference or tampering with Company equipment. (Refer to Section C5.4).

Meter relocation:

Meter relocation will be at customer expense. (Refer to Section C5.4).

Connection / Reconnection fee:

$16.50 per pair of electric and gas meters, $7.50 if no special meter reading is required. (Refer to Section C5.9).

Connection / Reconnection fee (at customer's request):

See connection and reconnection above or the fixed charges times number of months of disconnection, whichever is higher. (Refer to Section C5.10).

NSF check charge:

$10.00 per NSF check. (Refer to Section C5.11).

Excessive Service line / Main extension costs:

See Customer Attachment Program. (Refer to Section C8).

Michigan Public Service Commission
April 1, 2008
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SECTION D
ENERGY WASTE REDUCTION SURCHARGES

A) The Energy Waste Program Clause permits, pursuant to Section 91(3) of 2016 PA 342, the adjustment of distribution rates, via the application of an Energy Waste Reduction surcharge, to allow recovery of the energy waste reduction alternative compliance payment made by the Company in compliance with Section 91(1) of 2016 PA 342.

B) An annual Energy Waste Reduction reconciliation shall be conducted.

C) The approved Energy Waste Reduction surcharges are shown below.

Rate Schedule	**Energy Waste Reduction Surcharge**
Residential Service - 301	***$0.033*** / therm
Commercial and Industrial General Service - 302	***$9.37*** / meter
Commercial and Industrial General Service - 304	***$725.92*** / meter
Commercial and Industrial Interruptible Use - 303	***$47.85*** / meter
Commercial and Industrial Transportation Service	***$9.37*** / meter

(Continued from Sheet No. D-12.0)

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SECTION E
TRANSPORTATION SERVICE

COMMERCIAL AND INDUSTRIAL- TRANSPORTATION SERVICE

Availability and Character of Service
This rate is available under contract on an interruptible basis for commercial or industrial loads (including space heating) to customers who agree: (1) to curtail use of gas whenever requested by the Company; (2) shall have fuel requirements of 25,000 therms per year, or more; and (3) Execute a service agreement with the Company detailing terms, nomination requirement, etc. Subject, however, to the Gas Curtailment Provisions (Section C3). Where customer purchases and manages delivery of natural gas to Company's distribution system.

Rates: Customer Charge per Month $ ***100.00***, plus
This rate is subject to the Energy Waste Reduction Surcharge shown on Sheet No. D-12.0.
Daily Metering Charge per Month $ 25.00
Administrative Charge per Month $ 25.00
Distribution Charge per Therm $ ***0.1274***

Unauthorized Use Penalties - If customer fails to curtail use of gas when requested to do so by the Company, the customers will be subject to the Penalties for unauthorized take set forth in Section C-3.3(K).

Daily Balancing:
At Customer's option, Customers are subject to Daily Balancing through either Daily Scheduling - Daily Nomination Provision, or Daily Scheduling - Monthly Nomination Provision, (Sheet Nos. E-2.0 through E-5.0).

Monthly Balancing: Customers are subject to Monthly Balancing Provision, (Sheet Nos. E-6.0 to E-7.0)

Backup Services Available
Backup Services include:
Backup Capacity Service -- Sheet No. D-8.0
Backup Supply Service -- Sheet No. D-9.0
Backup Constraint Day Service -- Sheet No. D-10.0

Supply Interruption Requirements:
Delivery of gas may be subject to supply restrictions when required for situations that include Company distribution system capacity constraints, and a reduction or interruption in customer owned quantities being to delivered to Company's distribution system. Under the Gas Curtailment Provisions (Section C-3), customers may be required to not exceed their daily nomination. Company will provide notice of supply restrictions as far in advance as possible.

(Continued on Sheet No. E-2.0)

Michigan Public Service Commission
December 29, 2025
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(Continued from Sheet No- E-1.0)

SECTION E
TRANSPORTATION SERVICE

Daily Balancing - Daily Nomination Provision

Customers must provide Company with daily gas nominations as specified in the service agreement with Company. Customers are subject to daily charges if the actual daily gas volume used by customer deviates from their daily nomination by more than five percent.

Daily Scheduling Variance: A net daily variance for each gas day will be determined by comparing customer actual gas use with the amount of gas nominated. The daily imbalance percentage will be calculated by dividing the daily variance by the amount of gas nominated.

Negative Daily Variance Charges : If the amount of gas used by a customer is less than the nominated amount, customer shall be charged an amount equal to the following , for any day that is not a constraint day

.

Daily Imbalance percentages	Daily Variance charge
First 5%	$.0000 / therm
Next 10%	$.0072 / therm
All remaining daily variance	$.0400 / therm

Positive Daily Variance Charges : If the amount of gas used by a customer is more than the associated gas nomination amount, customer shall be charged an amount equal to the following for any day that is not a constraint day.

Daily Imbalance percentages	Daily Variance charge
First 5%	$.0000 / therm
Next 10%	$.0072 / therm
All remaining daily variance	$.1000 / therm

On days when a gas curtailment is called under the Gas Curtailment Provisions (Section C-3), net daily variances above 5% of the customer nomination shall be cashed out at the penalty for unauthorized gas take. The penalty for unauthorized take is defined in Section C-3.3(K).

(Continued on Sheet No E-3.0)

Michigan Public Service Commission
April 1, 2008
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(Continued from Sheet No- E-2.0)

SECTION E
TRANSPORTATION SERVICE

Daily Balancing (continued)-
Daily Nomination Provision (continued)

Special Conditions:

1. This rate schedule does not give the customers the right to exceed their daily nominations.
2. For the purpose of measuring net daily variance, customer use will be determined using telemetering data adjusted for heat content based on Company's calorimeter readings. On days when such data is unavailable, estimates based on other available metering data or customer nominations will be used.
3. For the purpose of measuring net daily variance, customer nominations shall be adjusted for natural gas supplies not confirmed and delivered by the pipeline.
4. Telemetering data will be made available to the customer.
5. Charges for any portion of a negative daily variance charge caused by failure of Company to deliver customer-owned supplies to customer due to capacity constraints on Company's distribution system will be waived.
6. All revenue collected under the Daily Nomination provision shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.
7. All daily balancing charges are subject to adjustment through the Daily Imbalance Pooling Provision (See below)

Daily Imbalance Pooling

The customer must choose either the NSP pool or a Customer/Third party Pool. This choice will be shown on Exhibit A of the customer's service agreement.

NSP Pool Special Conditions:
For customers choosing the NSP pool, daily scheduling charges, calculated under the Daily Scheduling - Daily Nomination schedule (Schedule DS-DN), shall be recalculated using the aggregate daily nominations and usage of all customers in the NSP pool. The customers' individual daily scheduling charges will be reduced by a percentage factor reflecting the recalculated charges.

(Continued on Sheet No E-4.0)

Michigan Public Service Commission
April 1, 2008
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(Continued from Sheet No- E-3.0)

SECTION E
TRANSPORTATION SERVICE

Daily Balancing (continued)-
Daily Nomination Provision (continued)
Daily Imbalance Pooling (continued)

Customer/Third Party Special Conditions

For Customers included in a Customer or Third party pooling agreement, the following information shall be provided in writing at least ten days prior to the month in which pooling will begin.

1. A copy of the participants' current pooling agreement.
2 A customer pool administrator must be identified. The administrator shall be designated as agent for all pool participants concerning the calculation and allocation of Company billed balancing charges under this provision.
3. Company will provide the pool administrator with daily variance summaries at the end of each billing month. The pool administrator shall provide Company, within two (2) business days from the date of each usage summary, a written statement of over and under variances allocated to each pool participant. Company will issue a bill for balancing charges to each pool participant based on allocations provided by the pool administrator, subject to its right to audit the accuracy of any allocation.
4. Company reserves the right to limit or modify the terms of pooling agreements, to the extent Company determines that pooling over any portion of its distribution system may adversely impact other customers.
5. On a day that a curtailment has been called under the Gas Curtailment Provisions (Section C3), pooling will be limited to customers behind the same city gate. Customers pooled behind the same city gate shall have total consumption of gas not greater than the confirmed nominations arriving at the city gate.
6. Pool participants shall remain individually liable for all balancing charges applicable to their use of service (i) which is not covered by a pooling agreement, (ii) if pool administrator fails to comply with the terms of the agreement with Company, or (iii) during any pooling allocation dispute.

. (Continued on Sheet No E-5.0)

Michigan Public Service Commission
April 1, 2008
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(Continued from Sheet No- E-4.0)

SECTION E
TRANSPORTATION SERVICE

Daily Balancing (continued)-

Daily Balancing - Monthly Nomination Provision
Instead of Daily Balancing – Daily Nominations above, customers can select Daily Balancing – Monthly Nominations. Customers must provide Company with monthly gas nominations as specified in service agreement with Company. Customer choosing this option will not be subject to the daily variance charges contained in the Daily Scheduling - Daily Nomination schedule.

Rate: $0.0030 per therm of use.

Special Conditions:

1. Customers shall make an average daily nomination for the month. This nomination may be changed within the month to balance on a monthly basis.
2. Customers must comply with all term of the Monthly Balancing Provisions
3. For the purpose of curtailments, customers will be curtailed to the current average daily nomination in effect.
4. All revenue collected under the Monthly Nomination Provision shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.

(Continued on Sheet No E-6.0)

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April 1, 2008
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(Continued from Sheet No- E-5.0)

SECTION E
TRANSPORTATION SERVICE

Monthly Balancing Provision

Transportation Schedule Customers have a calendar month volume requirement equal to the sum of their daily nominations. The monthly imbalance is the difference between the calendar month volume requirement and actual calendar month gas use of customer. This schedule defines the charges or credits that apply to calendar month imbalances. Monthly imbalances will not be carried forward to the next calendar month.

Monthly Balancing:

Net imbalance volumes will be determined for each calendar month. However, volumes charged under the unauthorized use provisions shall not be counted in the net imbalance.

Definitions:

Imbalance Percentage is the sum of daily nominations divided by actual use for the month.

Market Cost of Gas is the first of the month "Northern Natural Gas Co. (NNG) - Demarcation" index as published in Inside F.E.R.C.'s Gas Market Report plus NNG's variable pipeline transportation and fuel cost for the current month.

Undertake Credit:

If the amount of gas used is less than the amount of gas nominated, Company shall provide an Undertake Credit. The Undertake Credit shall be equal to the net volume imbalance multiplied by the Undertake Rate. Gas volumes within each imbalance percentage category shall be credited at the corresponding rate for that category.

Imbalance Percentage	Undertake Rate
100% to 95%	Market Cost of Gas
Less than 95%	Market Cost of Gas times 0.8

Overtake Charge:

If the amount of gas used is more than the amount of gas nominated, Company shall impose an Overtake Charge. The Overtake Charge shall be equal to the net volume imbalance multiplied by the Overtake Rate. Gas volumes within each imbalance percentage category shall be charged at the corresponding rate for that category.

Imbalance Percentage	Overtake Rate
100% to 105%	Market Cost of Gas
Greater than 105%	Market Cost of Gas times 1.2

(Continued on Sheet No E-7.0)

Michigan Public Service Commission
April 1, 2008
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(Continued from Sheet No- E-6.0)

SECTION E
TRANSPORTATION SERVICE

Monthly Balancing Provision (contd)

Special Conditions:

1. For the purpose of measuring imbalances, customer use will be determined using telemetering data adjusted for heat content based on Company's calorimeter readings. On days when such data is unavailable, estimates based on historical data during a similar period or other available metering data will be used.
2. Telemetering data will be made available to customers.
3. Any portion of an imbalance caused by Company's failure to deliver customer-owned supplies as a result of capacity constraints on Company's distribution system shall be credited to customer at the Market Cost of Gas.
4. All revenue collected under the Monthly Balancing Provision shall be credited to purchased gas expense and applied to system supply customers through the Gas Cost Recovery Clause.

Other Special Conditions

Conversion of Service:

If a Customer wishes to convert from the gas supply option described in its Service Agreement to other gas supply options provided by the Company, customer must provide Company notice of intent to transfer between this gas supply schedule and another gas supply schedule. Notice must be in writing and delivered to Company no later than May 1st of the year of the proposed transfer date. Customers will then be eligible to transfer as of May 1st. This notice requirement may be waived at Company's sole discretion if Company has an adequate supply to serve customer and anticipates no significant detriment to existing system sales customers. Company may require customer payment of an exit fee prior to a gas supply schedule transfer to recover costs related to the transfer. Exit fee may include, but not be limited to supplier exit fees, contract revision costs, and excess demand costs.

(Continued on Sheet No E-8.0)

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SECTION E
TRANSPORTATION SERVICE

Monthly Balancing Provision (contd)

Other Special Conditions (contd)

Telemetering:

a. Customers under this Schedule shall provide the Company appropriate space, electricity and telephone lines required for the Company to install electronic telemetering equipment for each customer meter.

b. Customers required to have telemetering equipment shall pay all charges for associated phone and electric service plus any costs incurred by the Company as a result of the customer's early termination of service requiring telemetering or damages to the equipment caused by negligence of the customer or those under its control.

c. The Company shall identify a means for customer to have access to the telemetered data from each customer meter and the estimated Btu content expected for gas flowing through the customer's meter. When available, the customer will, at its cost, be required to connect to the Company's electronic bulletin board as the primary means for obtaining data.

Nominations:

a. All customers selecting supply options that require the customer to be responsible for purchase of supply shall provide nominations for daily consumption on forms and in accordance with nomination schedules provided by the Company.

b. The Company will make reasonable efforts to accommodate nomination change requests with less notice than required in the appropriate schedule so long as such changes do not impose any cost on Company or adversely affect service to any other customer.

c. The customer shall be subject to all applicable charges and penalties for its failure to maintain its daily consumption at its nominated level.

(Continued on Sheet No E-9.0)

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(Continued from Sheet No- E-8.0)

SECTION E
TRANSPORTATION SERVICE

Transportation Standards of Conduct

This rule is intended to promote fair competition and a level playing field among all participants involved in transportation within the Company's regulated gas service territory. The Company will conduct its business to conform to the following transportation Standards of Conduct.

(A) The Company will not communicate to any Customer, Supplier, or third parties that any advantage will accrue to such Customer, Supplier, or third party in the use of the Company's services as a result of that Customer, Supplier, or third party dealing with its market affiliate, and shall refrain from giving any appearance that it speaks on behalf of its affiliates.

(B) The Company will process all similar requests for transportation service in the same manner and within the same period of time.

(C) The Company will apply any tariff provision relating to transportation service in the same manner without discrimination to all similarly situated customers.

(D) The Company will not give its marketing affiliate or Customers of its affiliate preference over any other non-affiliated gas marketers or their customers in matters relating to transportation service including, but not limited to, nominating, balancing, metering, billing, storage, standby service, curtailment policy, or price discounts.

(E) The Company will not provide leads or provide market sensitive information regarding current or potential Customers or marketer to its marketing affiliate. If a Customer requests information about marketers, the Company will provide a list of all marketers operating on its system, including its affiliate, but will not promote its affiliate.

(F) If a customer makes a request, in writing, that its historic sales and transportation data be provided to a particular marketer or marketers in general, that request will be honored by the Company until revoked by the customer. To the extent the Company provides to its marketing affiliate a discount or information related to transportation sales, or marketing of natural gas, including but not limited to the Company's Customer lists, that is not readily available or generally known to any other marketer or Supplier, or has not been authorized by a Customer, it will provide details of such discount or provide the information contemporaneously to all potential marketers on its system that have requested such information. A marketer may make a standing request for the contemporaneous disclosure of such information.

(Continued on Sheet No E-10.0)

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SECTION E
TRANSPORTATION SERVICE

Transportation Standards of Conduct (contd)

(G) The Company will not condition or tie its agreement to release interstate pipeline capacity to any agreement by a gas marketer, Customer, Supplier, or pipeline transporter relating to any service in which its marketing affiliate is involved.

(H) The Company will not condition or tie its agreement to a transportation discount to any agreement by a gas marketer, Customer, Supplier, or pipeline transporter relating to any service in which its marketing affiliate is involved.

(I) The Company's operating employees and the operating employees of its marketing affiliates will function independently of each other, be employed by separate business entities, and reside in separate offices.

(J) The Company will keep separate books of accounts and records from those of its marketing affiliate.

(Continued on Sheet No E-11.0)

(Continued from Sheet No- E-10.0)

SECTION E
TRANSPORTATION SERVICE

Transportation Standards of Conduct Complaint Procedures

If the Company receives a verbal complaint related to its Rules, Regulations and Rate Schedules for Gas Service, MSPC 3, Gas Transportation Standards of Conduct, the Company will attempt to resolve the complaint on an informal basis. If the Company and the complainant are unable to resolve the complainant on an informal basis, the procedures outlined below will be followed:

(A) Complainant will route all formal complaints to

Xcel Energy
P.O. Box 8
Eau Claire, WI. 54702-0008
Attention: Legal Department

The Company will acknowledge the receipt of the formal written complaint, in writing, within five working days of receipt by the Company.

(B) The Company will confirm and amend the prepared written statement of the complainant to ensure the complainant includes the name of the complainant, relevant dates and specific claims.

(C) The Company will prepare a written statement communicating to the complainant the results of the Company's preliminary investigation within 30 days of the initial receipt of the complaint by the Company with a description of the action taken or proposed to be taken.

(D) Complaint Satisfaction:

(1) If the complainant is satisfied with the action taken or proposed to be taken, complainant will acknowledge its agreement by signing and returning a copy of the Company's written statement addressing the action taken or proposed to be taken.

(2) If the complainant is not satisfied with the Company's response, then the complainant may address the complaint to the Commission.

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SECTION F
CUSTOMER CHOICE PROGRAM

Northern States Power currently has no Customer Choice Program

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SECTION G

STANDARD CUSTOMER FORMS INDEX

This link is not yet operational

<Insert link to StandardForms_Gas.pdf>

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