199—19.12(476) Transportation service.

19.12(1) *Purpose.* This subrule requires gas distribution utility companies to transport natural gas owned by an end user on a nondiscriminatory basis, subject to the capacity limitations of the specific system. "System capacity" means the maximum flow of gas the relevant portion of the system is capable of handling. Capacity availability is determined using the total current firm gas flow, including both system and transportation gas.

19.12(2) *End user rights.* The end user purchasing transportation services from the utility shall have the following rights and be subject to the following conditions:

a. The end user has the right to receive, pursuant to agreement, 100 percent of the gas delivered by it or on its behalf to the transporting utility (adjusted for a reasonable volume of lost, unaccounted-for, and company-used gas).

b. The volumes that the end user is entitled to receive are subject to curtailment or interruption due to limitations in the system capacity of the transporting utility. Curtailment of the transportation volumes will take place according to the priority class, subdivision, or category that the end user would have been assigned if it were purchasing gas from the transporting utility.

c. During periods of curtailment or interruption, the end user is entitled to a credit equal to the difference between the volumes delivered to the utility and those received by the end user, adjusted for lost, unaccounted-for, and company-used gas.

d. The end user is responsible for all costs associated with any additional plant required for providing transportation services to the end user.

19.12(3) *Transportation service charges.* Transportation service shall be offered to at least the following classes:

a. Interruptible distribution service with system supply reserve.

b. Interruptible distribution service without system supply reserve.

c. Firm distribution service with system supply reserve.

d. Firm distribution service without system supply reserve.

19.12(4) *Transportation service charges and rates.* All rates and charges for transportation shall be based on the cost of providing the service.

a. "System supply reserve" service entitles the end user to return to the system service to the extent of the interstate pipeline capacity purchased. The charge will be at least equal to the administrative costs of monitoring the service, plus any other costs.

b. End users without system supply reserve service may only return to system service by paying an additional charge and are subject to the availability of adequate interstate pipeline capacity. An end user wishing to receive transportation service without system supply reserve must pay the utility for the discounted value of any contract between the utility and the end user remaining in effect at the time of beginning transportation service. The discounted values shall include all directly assignable and identifiable costs.

c. The utility may require a reconnection charge when an end user receiving transportation service without system supply reserve service requests to return to the system supply. The end user shall return to the system and receive service under the appropriate classification as determined by the utility.

d. The end user electing to receive transportation service shall pay reasonable rates for any use of the facilities, equipment, or services of the transporting utility.

19.12(5) *Reporting requirements.* A natural gas utility will provide a copy of information concerning transportation contracts upon request of the commission, commission staff, or the office of consumer advocate.

19.12(6) *Written notice of risks.* The utility must notify its large-volume users as defined in 19.13(1) contracting for transportation service in writing that unless the customer buys system supply reserve service from the utility, the utility is not obligated to supply gas to the customer. The notice must also advise the large-volume user of the nature of any identifiable penalties, any administrative or reconnection costs associated with purchasing available firm or interruptible gas, and how any available gas would be priced by the utility. The notice may be provided through a contract provision or separate written instrument. The

large-volume user must acknowledge in writing that it has been made aware of the risks and accepts the risks.

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