

CITY OF LAGRANGE
PURCHASED GAS ADJUSTMENT
Revised: April 1, 2010

APPLICABILITY:

This schedule is applicable to and becomes a part of each rate schedule in which a reference is made to the "Purchased Gas Adjustment Schedule."

RATE:

All bills rendered subject to the Purchased Gas Adjustment shall be increased from time to time by the amount necessary to recover the city's accumulated variable costs associated with gas purchases. Included in this account shall be the cost of gas purchased from gas suppliers and producers, pipeline fuel, distribution system losses, propane for peak shaving, the cost of hedging instruments used to secure future energy deliveries, and other gas related costs. For customers billed under the "Large Firm", "Interruptible", and "Preferred Interruptible" natural gas tariffs, the Purchase Gas Adjustment shall be calculated based on the applicable costs outlined in this section for the current billing month.

For customers that have contracted with the City for a specific delivered price based on future contracts, options, swaps, or other derivative instruments, said price shall be used in lieu of the Purchased Gas Adjustment during the term of the agreement.