

**ELK RIVER PUBLIC UTILITY DISTRICT
TULLAHOMA, TENNESSEE**

RULES AND REGULATIONS

(30) RATE CLASSIFICATIONS

Residential Heat Only: single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered where the District's distribution system is adequate to supply service. The majority of connected gas equipment is designed for heating purposes and/or the majority of actual gas used is during the winter months.

Residential Year Round: single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered where the District's distribution system is adequate to supply service. The majority of connected gas equipment is designed to be used year round and/or significant gas is used during the summer months.

Small Commercial: any non-residential customer whose annual volume is less than 12,000 therms per year. Usage may be commercial or industrial in nature and is separately metered and available where the District's distribution system is adequate to supply service. Commercial customers are businesses primarily engaged in the sale of goods and services; and include schools, churches, hospitals, institutions and federal, state and local government entities.

Large Commercial: any non-residential customer whose annual volume is 12,000 therms or more per year. Usage may be commercial or industrial in nature and is separately metered and available where the District's distribution system is adequate to supply service. Commercial customers are businesses primarily engaged in the sale of goods and services; and include schools, churches, hospitals, institutions, and federal, state and local government entities.

Industrial Processing and Heating: any non-residential customer with the majority of connected gas equipment is designed for processing and/or heating and significant gas used is during all months of the year where the District's distribution system is adequate to supply service. Industrial customers are engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of power.

Interruptible: any non-residential customer whose minimum usage, when not on curtailment, is at least 250 therms per day. Usage may be commercial or industrial in nature and is available where the District's distribution system is adequate to supply service. Gas deliveries are subject to total curtailment or interruption at any time at the sole discretion of the District. It is recommended that Customer maintain adequate facilities to provide an alternate fuel supply during periods of curtailment. Customer expressly assumes all risk for all predictable and unpredictable effects of an interruption of service or failure to provide service. Commercial customers are businesses primarily engaged in the sale of goods and services, including schools, churches, hospitals, institutions, and federal, state and local government facilities. Industrial customers are engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of power or agricultural activities. The Elk River Public Utility District, Interruptible Service Agreement shall be executed prior to providing service.

Housing Authorities: are multiple dwelling units owned and administered by the Tullahoma Housing Authority and used for residential purposes, which are master metered and where the District's distribution system is adequate to supply service. The majority of connected gas equipment is designed to be used year round and/or some actual gas is used during the summer months. All gas is billed to the Tullahoma Housing Authority based on usage measured by the District's master meter.