RESOLUTION NO. 21PUC-003

RESOLUTION ESTABLISHING NATURAL GAS RATE CLASSES FOR NATURAL GAS CUSTOMERS.

RESOLVED by the Duluth Public Utilities Commission (the "Commission") that the Commission hereby establishes the following rate classes to which the rates charged for the sale by the City of Duluth to its customers shall apply:

1. <u>Residential Small Volume Class 10</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used exclusively for residential purposes and which consumes or is reasonably anticipated to consume less than 200,000 Hundred Cubic Feet ("CCF") of natural gas per year and whose service is not interruptible.

2. <u>Residential Large Volume Class 15</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used exclusively for residential purposes and which consumes or is reasonably anticipated to consume 200,000 CCF or more of natural gas per year and whose service is not interruptible.

3. <u>Commercial/Industrial Small Volume Class 20</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used in whole or in part for commercial purposes or industrial purposes and which consumes or is reasonably anticipated to consume less than 200,000 CCF of natural gas per year and whose service is not interruptible.

4. <u>Commercial/Industrial Large Volume Class 30</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used in whole or in part for commercial purposes or industrial purposes and which consumes or is reasonably anticipated to consume 200,000 CCF or more of natural gas per year and whose service is not interruptible.

5. <u>Interruptible Class 50</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used in whole or in part for commercial purposes, industrial purposes, or institutional purposes and which consumes or is reasonably anticipated to consume more than 200,000 CCF but less than 4.5 Million CCF of natural gas per year but to which the supply of natural gas may be interrupted at the discretion of the Director of the Public Works and Utilities or their designee.

6. <u>Interruptible Class 55</u>: shall be a customer whose account is used to acquire natural gas for a building or structure used in whole or in part for commercial purposes or industrial purposes and which consumes or is reasonably anticipated to consume 4.5 Million CCF or more of natural gas per year but to which the supply of natural gas may be interrupted at the discretion of the Director of the Public Works and Utilities or their designee; provided, however, that the Interruptible Class 55 rate shall not apply to a Municipal Energy Resale Large Volume customer.

7. <u>Municipal Energy Resale Large Volume Class 60</u>: shall mean a customer owned by the City of Duluth which uses natural gas principally in the production of energy for resale.

Approved by the DPUC:

(date)

Submitted to City Council: (where appropriate)

(date)

ATTEST:

Director Public Works and Utilities City of Duluth

STATEMENT OF PURPOSE:

The purpose of this resolution is to formally adopt the rate classification structure used to charge the City's various natural gas customers.