

RESOLUTION NO. 21PUC-004

RESOLUTION ESTABLISHING A NEW NATURAL GAS RATE FOR INTERRUPTIBLE CLASS 55, ESTABLISHING A RATE THEREFORE AND RE-NAMING CLASSES.

RESOLVED by the Duluth Public Utilities Commission (the "Commission") that a new rate class of "Interruptible Class 55 is hereby established, rates are hereby established for it, and the names of various existing rate classes are hereby changed as set forth below:

| CUSTOMER RATE SCHEDULE BASED UPON MONTHLY METERED VOLUME | | | |
|--|--|---|---|
| | | Fixed monthly charge | Per 100 cubic feet (CCF) |
| | | Effective March 15, 2018 (no change) | Effective March 15, 2018 (no change) |
| Firm sales service | Residential small volume Class 10 | \$8.63 | \$0.934 |
| | Residential large volume Class 15 | \$230.00 | \$0.833 |
| | Commercial/industrial small volume Class 20 | \$46.00 | \$0.850 |
| | Commercial/industrial large volume Class 30 | \$230.00 | \$0.817 |
| Interruptible sales service | Interruptible Class 50 | \$517.50 | \$0.698 |
| NEW RATE effective May 18, 2021 | | | |
| Interruptible sales service | Interruptible Class 55 | \$517.50 | \$0.655 |
| Interruptible sales service | Municipal energy resale large volume Class 60 | \$517.50 | \$0.650 |
| Interruptible transportation service | | Year 1* | Year 2+ |
| | Commercial/industrial per CCF | \$0.196 | \$0.179 |
| | Fixed monthly charge | \$517.50 | \$517.50 |
| | *The Year 1 rate applies to the first 12 months of service for any customer in this rate class. After the first 12 months of service, the customer will be charged the Year 2+ rate. | | |
| Purchased gas adjustment (PGA) | If the wholesale price of gas purchased by the City of Duluth is increased or decreased as compared to the residential small volume customer rate listed in the Customer Rate Schedule, the unit commodity charge (\$ per CCF) for gas sold under the applicable rate schedule shall be increased or decreased on the customer's monthly bill in the same amount as the unit cost of gas has been increased or decreased. The PGA calculation will be made by adding to or subtracting from the rate per CCF set forth in the Customer Rate Schedule above for each class of customers an amount equal to the rate and the wholesale price of such gas plus an adjustment to reflect the amount of the PILOT resulting from the difference between the applicable Customer Rate and the wholesale price. | | |

Approved by the DPUC:

May 18, 2021

(date)

Submitted to City Council:
(where appropriate)

May 20, 2021

(date)

ATTEST:



Director
Public Works and Utilities
City of Duluth

STATEMENT OF PURPOSE:

The purpose of this resolution is to establish a rate for a new class of users, those consuming in excess of 4.5 Million CCF of natural gas in a year on an interruptible basis and to set a rate for their usage.