

Schedule No. G-40

AIR-CONDITIONING GAS SERVICE

APPLICABILITY

Applicable to gas service to commercial or industrial customers as defined in Rule No. 1 of this Arizona Gas Tariff who qualify for service under Schedule No. G-25 and who have installed and regularly operate a gas-fired air-conditioning system which meets the Utility's specifications and approval.

All of the provisions of the customer's otherwise applicable gas sales tariff schedule shall apply to this service unless specifically modified within this schedule.

The volume of gas used for air-conditioning only purposes shall be determined by metering equipment installed by the Utility, unless, a written agreement is executed by the customer and the Utility that sets forth the estimated gas volumes or the methodology to determine the volumes to be billed under this schedule.

Service for any end use of gas other than for air-conditioning purposes, such as space heating, water heating, processing or boiler fuel use, is not permitted under this schedule and shall be billed under the otherwise applicable gas sales tariff schedule. Volumes billed under this schedule may not be used for purposes of establishing the customer's average monthly requirements under Schedule No. G-25.

TERRITORY

Throughout the certificated area served by the Utility in the communities as set forth on A.C.C. Sheet No. 8 of this Arizona Gas Tariff.

RATES

The basic service charge is the charge under the customer's otherwise applicable gas sales tariff schedule. The basic service charge and the commodity charge are set forth in the currently effective Statement of Rates of this Arizona Gas Tariff and are incorporated herein by reference.

MINIMUM CHARGE

The minimum charge per meter per month is the basic service charge as set forth in the customer's otherwise applicable gas sales tariff schedule.

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AIR-CONDITIONING GAS SERVICE

(Continued)

SPECIAL CONDITIONS

1. The customer may receive service under this schedule separately or in combination with another schedule. In either event, the customer will be required to pay only the basic service charge contained in the otherwise applicable gas sales tariff schedule. The customer shall not be required to pay more than a single basic service charge for gas service in any given month.
2. Gas service under this schedule is not available for "standby" or occasional temporary service.
3. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility.
4. The term "otherwise applicable gas sales tariff schedule" as used herein excludes all optional tariff schedules.

PURCHASED GAS ADJUSTMENT CLAUSE

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.

RULES AND REGULATIONS

The standard Rules and Regulations of the Utility as authorized by the Commission shall apply where consistent with this schedule.