

SUPPLEMENT NO. 73
TO

GAS - PA. P.U.C. NO. 46

Peoples Natural Gas Company LLC
EQUITABLE Division

RATES and RULES

FOR

GAS SERVICE IN

CITY OF PITTSBURGH

AND TERRITORY ADJACENT THERETO

(For Lists of Communities Served, see Page No. 4)

Annual and Quarterly 1307(f) Gas Cost,
Rider F - Merchant Function Charge,
Rider D - Universal Service Charge
Rider Supplier Choice
Filing

ISSUED: September 30, 2019

EFFECTIVE: October 1, 2019

By: Morgan K. O'Brien
President

Peoples Natural Gas Company LLC
375 North Shore Drive
Pittsburgh, PA 15212

NOTICE

This tariff makes changes to existing rates.
(See page 2)

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

		<u>Current</u>	<u>Proposed</u>	<u>Increase (Decrease)</u>
Rate RS				
Natural Gas Supply Charge	\$	3.2711	\$ 3.7852	\$ 0.5141
Natural Gas Delivery Charge	\$	3.1315	\$ 3.1097	\$ (0.0218)
Rate GSS				
Natural Gas Supply Charge	\$	3.2711	\$ 3.7852	\$ 0.5141
Natural Gas Delivery Charge	\$	2.5538	\$ 2.5320	\$ (0.0218)
Rate GSL				
Natural Gas Supply Charge	\$	3.2711	\$ 3.7852	\$ 0.5141
Natural Gas Delivery Charge	\$	2.4578	\$ 2.4360	\$ (0.0218)
Rate FDS				
Capacity and Balancing Charge	\$	0.9953	\$ 1.0789	\$ 0.0836
Rate GDS & Rate DDS				
Balancing Charge Annual Throughput < 25,000	\$	0.3848	\$ 0.4062	\$ 0.0214
Balancing Charge Annual Throughput > 25,000	\$	0.0812	\$ 0.0886	\$ 0.0074
Rider A - Purchased Gas Cost				
Current PGC	\$	3.2339	\$ 3.7262	\$ 0.4923
C factor	\$	3.2711	\$ 3.7852	\$ 0.5141
E factor	\$	(0.0372)	\$ (0.0590)	\$ (0.0218)
AVC Capacity Charge				
Rate RS and Rate FDS	\$	0.6264	\$ 0.6141	\$ (0.0123)
Rate GSS and Rate GDS (0 to 999 Mcf/yr)	\$	0.5782	\$ 0.6263	\$ 0.0481
Rate GSL and Rate GDS (1,000 to 24,999 Mcf/yr)	\$	0.3774	\$ 0.4059	\$ 0.0285
Rate GSL and Rate GDS (greater than 25,000 Mcf/yr)	\$	0.2168	\$ 0.2031	\$ (0.0137)
Rider F - Merchant Function Charge				
Rate RS	\$	0.0839	\$ 0.0968	\$ 0.0129
Rate GSS and Rate GSL	\$	0.0214	\$ 0.0246	\$ 0.0032
Rider D -- Universal Service Charge				
	\$	0.1531	\$ 0.2526	\$ 0.0995
Rider Supplier Choice				
	\$	0.0001	\$ (0.0012)	\$ (0.0013)
Shrinkage				
		6.6%	5.2%	-1.4%

PEOPLES NATURAL GAS COMPANY LLC

SUPPLEMENT NO. 33
TO GAS - PA. P.U.C. NO. 46
SECOND REVISED PAGE NO. 2.1
CANCELING FIRST REVISED PAGE NO. 2.1

RESERVED FOR FUTURE USE

**PEOPLES NATURAL GAS COMPANY LLC
EQUITABLE DIVISION**

**SUPPLEMENT NO. 73 TO GAS—PA PUC NO. 46
THIRTY-EIGHTH REVISED PAGE NO. 2A
CANCELING THIRTY-SEVENTH REVISED PAGE NO. 2A**

Gas Cost/MFC/USR Supplier Choice	Rider A - Gas Cost Charges				Base Rate Charges	Rider STAS	Rider F MFC	Rider D USR	Rider G GPC	Rider- Supplier Choice	Rider E DSIC Charge	Rider TCJA	Total Rate
	Capacity	AVC Capacity	GCA	Commodity									
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13=SUM 1 to 12)
Residential Sales						-0.64%							
Customer Charge					\$ 13.2500					\$ (0.0012)	\$ 0.6625	\$ (0.9028)	\$ 13.0085
Capacity	\$ 1.0789	\$ 0.6141					\$ 0.0280						\$ 1.7210
Price to Compare - PTC			\$ (0.0590)	\$ 2.7063			\$ 0.0688		\$ 0.1055				\$ 2.8216
Delivery Charge					\$ 3.1687			\$ 0.2526			\$ 0.1812	\$ (0.2159)	\$ 3.3866
State Tax Surcharge						\$ (0.0203)							\$ (0.0203)
Total per MCF							\$ 0.0968						\$ 7.9089
General Service Small - Sales													
Customer Charge													
< 500 MCF/Yr					\$ 17.0000					\$ (0.0012)	\$ 0.8500	\$ (1.1584)	\$ 16.6904
500 to 1,000 MCF/Yr					\$ 28.0000					\$ (0.0012)	\$ 1.4000	\$ (1.9079)	\$ 27.4909
1/ Capacity	\$ 0.4062	\$ 0.6263											\$ 1.0325
Price to Compare - PTC	\$ 0.6727		\$ (0.0590)	\$ 2.7063			\$ 0.0246		\$ 0.1055				\$ 3.4501
Delivery Charge					\$ 2.5910						\$ 0.1361	\$ (0.1765)	\$ 2.5505
State Tax Surcharge						\$ (0.0166)							\$ (0.0166)
Total per MCF	\$ 1.0789												\$ 7.0165
General Service Large - Sales													
Customer Charge													
1,001 to 4,999 MCF/Yr					\$ 150.0000						\$ 7.500	\$ (10.221)	\$ 147.2792
5,000 to 25,000 MCF/Yr					\$ 300.0000						\$ 15.000	\$ (20.442)	\$ 294.5583
1/ Capacity	\$ 0.4062	\$ 0.4059											\$ 0.8121
Price to Compare - PTC	\$ 0.6727		\$ (0.0590)	\$ 2.7063			\$ 0.0246		\$ 0.1055				\$ 3.4501
Delivery Charge					\$ 2.4950						\$ 0.1313	\$ (0.1700)	\$ 2.4563
State Tax Surcharge						\$ (0.0160)							\$ (0.0160)
Total per MCF	\$ 1.0789												\$ 6.7026
General Service Large - Sales													
> 25,000 MCF/Yr					\$ 1,600.000						\$ 80.000	\$ (109.022)	\$ 1,570.9776
1/ Capacity	\$ 0.0886	\$ 0.2031											\$ 0.2917
Price to Compare - PTC	\$ 0.9903		\$ (0.0590)	\$ 2.7063			\$ 0.0246		\$ 0.1055				\$ 3.7677
Delivery Charge					\$ 2.4950						\$ 0.1313	\$ (0.1700)	\$ 2.4562
State Tax Surcharge						\$ (0.0160)							\$ (0.0160)
Total per MCF	\$ 1.0789												\$ 6.4997

1/ The Price-to-Compare format as shown is applicable to a Non-Priority One customer; the Price-to-Compare Charge for a Priority One customer would not include the Capacity Charge.
See the Residential - Sales section above as an example of Priority One.

ISSUED: September 30, 2019

EFFECTIVE: October 1, 2019

PEOPLES NATURAL GAS COMPANY LLC
EQUITABLE DIVISION

SUPPLEMENT NO. 73 TO GAS—PA PUC NO. 46
THIRTY-EIGHTH REVISED PAGE NO. 2B
CANCELING THIRTY-SEVENTH REVISED PAGE NO. 2B

Gas Cost/MFC/USR Supplier Choice	Base Rate Charges (1)	Capacity Charge (2)	AVC Charge (3)	Balancing Charge (4)	Rider F MFC (5)	Rider D USR (6)	Rider A Capacity (7)	Rider STAS (8)	Rider- Supplier Choice (9)	Rider E DSIC Charge (10)	Rider TCJA (11)	Total Rate (12=SUM 1 to 11)
Residential - Transport								-0.64%		5.00%	-6.8139%	
Customer Charge	\$ 13.2500								\$ (0.0012)	\$ 0.6625	\$ (0.9028)	\$ 13.0085
Capacity		\$ 1.0789	\$ 0.6141		\$ 0.0280							\$ 1.7210
Delivery Charge	\$ 3.1687					\$ 0.2526				\$ 0.1725	\$ (0.2159)	\$ 3.3779
State Tax Surcharge								\$ (0.0203)				\$ (0.0203)
Total per MCF												\$ 5.0786
General Service Small - Transport												
Customer Charge												
< 500 MCF/Yr	\$ 17.0000								\$ (0.0012)	\$ 0.8500	\$ (1.1584)	\$ 16.6904
500 to 1,000 MCF/Yr	\$ 28.0000								\$ (0.0012)	\$ 1.4000	\$ (1.9079)	\$ 27.4909
1/ Capacity/BB&A			\$ 0.6263	\$ 0.4062								\$ 1.0325
Delivery Charge	\$ 2.5910									\$ 0.1296	\$ (0.1765)	\$ 2.5440
State Tax Surcharge								\$ (0.0166)				\$ (0.0166)
Total per MCF												\$ 3.5599
General Service Large - Transport												
Customer Charge												
1,001 to 4,999 MCF/Yr	\$ 150.0000									\$ 7.5000	\$ (10.2209)	\$ 147.2792
5,000 to 25,000 MCF/Yr	\$ 300.0000									\$ 15.0000	\$ (20.4417)	\$ 294.5583
1/ Capacity/BB&A			\$ 0.4059	\$ 0.4062								\$ 0.8121
Delivery Charge	\$ 2.4950									\$ 0.1248	\$ (0.1700)	\$ 2.4497
State Tax Surcharge								\$ (0.0160)				\$ (0.0160)
Total per MCF												\$ 3.2459
General Service Large - Transport												
Customer Charge												
> 25,000 MCF/Yr	\$ 1,600.0000									\$ 80.0000	\$ (109.0224)	\$ 1,570.9776
1/ Capacity/BB&A			\$ 0.2031	\$ 0.0886								\$ 0.2917
Delivery Charge	\$ 2.4950									\$ 0.1248	\$ (0.1700)	\$ 2.4497
State Tax Surcharge								\$ (0.0160)				\$ (0.0160)
Total per MCF												\$ 2.7255

1/ The Capacity Charge applies to Priority 1 ratepayers when electing transport service. All other Ratepayers are billed the BB&A charge.

ISSUED: September 30, 2019

EFFECTIVE: October 1, 2019

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(C) Indicates Change.

EQUITABLE DISTRICT COMMUNITIES SERVED

The Company's charter territory includes Allegheny, Armstrong, Butler, Clarion, Fayette, Greene, Indiana, Jefferson, Washington, and Westmoreland Counties, Pennsylvania. Gas Service for the Equitable district is available in all localities where the Company has facilities, including all or a portion of the following Cities, Boroughs, and Townships:

ALLEGHENY COUNTY (Cities and Boroughs)

Aspinwall	Drovsburg	Millvale	Swissvale
Avalon	Duquesne	Monroeville	Tarentum
Baldwin	East McKeesport	Mt. Oliver	Thornburg
Bellevue	East Pittsburgh	Munhall	Trafford
Ben Avon	Edgewood	North Braddock	Turtle Creek
Ben Avon Heights	Emsworth	Oakmont	Verona
Bethel Park	Etna	Pitcairn	Versailles
Blawnox	Fox Chapel	Pittsburgh	Wall
Brackenridge	Franklin Park	Pleasant Hills	West Elizabeth
Braddock	Greentree	Plum	West Homestead
Braddock Hills	Heidelberg	Port Vue	West Mifflin
Brentwood	Homestead	Rankin	West View
Bridgeville	Ingram	Roslyn Farms	Whitaker
Carnegie	Jefferson	Sewickley Heights	Whitehall
Cheswick	Liberty	Sewickley Hills	White Oak
Clairton	Lincoln	Sharpsburg	Wilkesburg
Crafton	McKeesport	Springdale	Wilmerding
Dormont	McKees Rocks		

ALLEGHENY COUNTY (Townships)

Aleppo	Indiana	O'Hara	Shaler
Collier	Kennedy	Ohio	South Fayette
East Deer	Kilbuck	Penn Hills	South Park
Forward	Marshall	Reserve	Springdale
Frazer	McCandless	Robinson	Stowe
Hampton	Mt. Lebanon	Ross	Upper St. Clair
Harmar	North Versailles	Scott	Wilkins
Harrison			

ARMSTRONG COUNTY (Boroughs)

Apollo	Elderton	Ford City
Atwood	Freeport	North Apollo

ARMSTRONG COUNTY (Townships)

Bethel	Gilpin	Parks	South Buffalo
Boggs	Kiskiminetas	Pine	Valley
Burrell	Kittanning	Plumcreek	Washington
Cadogan	Madison	Red Bank	Wayne
Cowenshannock	Manor	South Bend	West Franklin
East Franklin	North Buffalo		

BUTLER COUNTY (Townships)

Buffalo

CLARION COUNTY (Townships)

Limestone	Monroe	Porter	Red Bank
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EQUITABLE DISTRICT COMMUNITIES SERVED (Continued)

<u>FAYETTE COUNTY (Boroughs)</u>			
Fairchance	Masontown		
<u>FAYETTE COUNTY (Townships)</u>			
Georges	German	Jefferson	South Union
<u>GREENE COUNTY (Boroughs)</u>			
Carmichaels	Jefferson	Waynesburg	
Clarksville	Mather		
<u>GREENE COUNTY (Townships)</u>			
Aleppo	Freeport	Monongahela	Springhill
Canter	Gilmore	Morgan	Washington
Cumberland	Greene	Morris	Wayne
Dunkard	Jackson	Perry	Whiteley
Franklin	Jefferson	Richhill	
<u>INDIANA COUNTY (Townships)</u>			
Buffington	North Mahoning	Washington	
East Mahoning	South Mahoning		
<u>JEFFERSON COUNTY (Townships)</u>			
Perry	Porter	Ringgold	
<u>WASHINGTON COUNTY (Boroughs)</u>			
Beallsville	Cokeburg	Ellsworth	New Eagle
Bentleyville	Deemston	Finleyville	
Canterville	Donara	Monongahela	
<u>WASHINGTON COUNTY (Townships)</u>			
Amwell	East Finley	Nottingham	South Strabane
Carroll	East Pike Run	Morris	Union
Cecil	Fallowfield	Peters	West Bethlehem
Chartiers	North Bethlehem	Somerset	West Pike Run
East Bethlehem	North Strabane	South Franklin	
<u>WESTMORELAND COUNTY (Cities and Boroughs)</u>			
Arnold	New Kensington	Vandergrift	
Hyde Park	Oklahoma	West Leechburg	
Mahoning	Trafford		
<u>WESTMORELAND COUNTY (Townships)</u>			
Allegheny	Franklin	North Huntingdon	Upper Burrell
Bell	Lower Burrell	Penn	Washington

APOLLO DISTRICT COMMUNITIES SERVED (Continued)

Gas service for the Apollo District is available in all localities where the Company has facilities, including all or a portion of the following Cities, Boroughs, and Townships:

ALLEGHENY COUNTYBoroughs

Tarentum

Townships

East Deer

Frazer

Harrison

ARMSTRONG COUNTYBoroughs

Apollo

Ford City

North Apollo

Townships

Bethel

Boggs

Burrell

Cadogan

Cowanshannock

East Franklin

Gilpin

Kiskiménatas

Kittanning

Madison

Manor

North Buffalo

Parks

Pine

Plumcreek

Redbank

South Bend

South Buffalo

Washington

Wayne

West Franklin

CLARION COUNTYTownships

Limestone

Monroe

Porter

Redbank

INDIANA COUNTYTownships

Buffington

East Mahoning

North Mahoning

JEFFERSON COUNTYTownships

Perry

Porter

Ringgold

WESTMORELAND COUNTY

Arnold

Lower Burrell

New Kensington

Boroughs

Mahoning

Hyde Park

Oklahoma

Vandergrift

West Leechburg

Townships

Allegheny

Bell

Upper Burrell

Washington

CLASSIFICATION OF CUSTOMERS TO WHOM SERVICE IS MADE AVAILABLE

Gas service is made available under the rules, regulations and terms and at the rates contained in this Tariff, to the following classes of customers:

Residential Customers

Customers receiving the Company's gas service to a single family dwelling or building, or through one meter set to three or fewer dwelling units in a multi-family residence or building, or through one meter set to a combination of one dwelling unit and one or more business premises, where the residential premises are the predominant gas use factor. A Customer is defined as a natural person in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property for which service is requested.

For purposes of curtailment and priority of service pursuant to Rule 7 - Curtailment of Service - master-metered housing projects, which are otherwise classified as commercial, shall be considered residential customers, provided the units in the project are self-contained, that is have individual heating units.

Commercial Customers

Customers who are engaged in selling, warehousing or distributing a commodity or service, including boarding homes and personal care homes, engaged in some business activity or profession, or in some other form of economic, social, or cultural activity, not primarily involving the manufacturing or processing of a product; and customers who receive the Company's gas service through one meter set to a combination of four or more dwelling units and through one meter set to a combination of up to three dwelling units and one or more business premises, where the business premises are the predominant gas use factor.

For purposes of curtailment and priority of service pursuant to Rule 7 - Curtailment of Service - master-metered housing projects, which are also included in this classification, will be considered residential customers, provided the units in the project are self-contained, that is have individual heating units.

Industrial Customers

Customers who are engaged in a process which creates or changes raw material or unfinished materials into another form or product.

Heating Customers

Customers who use the Company's gas as the principal fuel for space or building heating.

RULES AND REGULATIONS

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RULES AND REGULATIONS

1. ESTABLISHING SERVICE

1.1 Meters and Fittings

The Company will, at its own expense unless otherwise agreed, make the necessary connection between its gas main and the curb, furnish a stop cock, provide a meter, and if it deems it necessary, a gas regulator, also a globe valve or stop cock, and necessary fittings to connect meter, or meter and regulator, to service line and house line. The meter and meterset fittings shall be and remain the property of the Company.

Meters will be installed at the Company's expense only upon request and subject to the following conditions:

- (a) The Company will install one (1) meter per customer service line.
- (b) The type, size and location of the meter will be determined by the Company.
- (c) An individual service line shall be required for each unit of a newly constructed structure consisting of modules which can be sold or leased as and function as separate entities, and having within each such unit control of the total gas energy requirements of that unit, including all interior piping. The requirement of one meter per service line shall apply to renovations of existing structures which meet the aforesaid independency requirements and to which gas service has not been provided for a period of at least one (1) year. The requirement of one meter per service line may be waived for other structures. In this latter event, additional meters will be set by the Company, provided the customer shall bear the cost of all additional meter installations and house line alterations, and such cost of service line alterations as shall be permitted by law.
- (d) Outlet piping from the meter shall not pass through space or property that is or could be controlled or owned by an individual or individuals other than the customer.
- (e) All customer-owned piping shall be installed in accordance with the Company's "Installation Standards Gas Piping and Customer's Premises," dated May 1996, as it now exists or as hereinafter amended, and which is presently on file with the Commission.

RULES AND REGULATIONS - (CONTINUED)

1.1 Meters and Fittings (Continued)

(f) Nothing contained in this Rule shall preclude the customer from installing additional meters behind the Company's meter for the purpose of measuring, controlling and/or determining the flow of gas to the customer's premises. The cost of such additional meters, including the installation thereof shall be borne by the customer and such installation shall comply with subsection (e) above.

(g) Exceptions to the requirements of subsections (a) through (e) may be permitted by the Company upon special circumstances and upon good cause shown.

1.2 Applications For Service Extension of Mains

The Company will extend its facilities to a new point of delivery within its service territory if, in its judgment and consistent with Pennsylvania Public Utility Commission regulations, the service to such a new point of delivery will have no adverse effect upon the availability of gas to meet the present and reasonably foreseeable volume and pressure needs of existing customers. The Company may condition the extension of facilities upon the applicant's providing a contribution in aid of construction (CIAC), the amount which will be determined by the Company and consistent with any parameters approved or required by the Commission.

If the Company requests a CIAC from an applicant where service is not rendered under Pilot Rate MLX, and additional customers are added to the extended facilities financed by the applicant's CIAC within three years of the date of completion of the facilities, the applicant who paid the CIAC will be entitled to a pro-rated refund during the three-year period immediately following completion of the extension. (C)

At the Company's discretion, all applicants for an extension may be offered service under Pilot Rate MLX as an alternative to a CIAC. (C)

(C) Indicates Change.

RULES AND REGULATIONS - (CONTINUED)

1.3 Other Service Conditions

In the case of an industrial or commercial customer, the Company may condition the acceptance of a particular application for the initiation or increase of service, whether or not an extension of facilities is required to provide such service, by the establishment of guarantees of revenues or other appropriate conditions, including, but not limited to, the setting of maximum daily volumes to be provided, when such application involves the commitment of a gas supply to provide the service requested or involves conditions of service different from that normally provided to its other customers.

The Company, at its sole discretion, will maintain the necessary facilities to provide a back-up service to a customer for switching purposes between Natural Gas Distribution Companies or alternative fuels. The charge for facilities providing such a back-up service will be the Company's highest allowable monthly service charge per meter, plus the applicable volumetric charge per Mcf consumed.

The Company also reserves the right to charge a tap fee to recover the costs of constructing all facilities related to providing the backup service.

In the case of residential service, prior to providing utility service, the Company may require the Applicant to provide the names of each adult occupant residing at the location and proof of their identity.

1.4 Service Pipes and Fittings

The customer shall, at the customer's own expense, furnish and install all service pipes, fixtures, fittings, valves and appliances, and all materials necessary for meter installations, as required by the Company, between the Company's curb box and the point of consumption of the gas except as otherwise provided in Rule 1; maintain all of the same in good condition and repair, and renew the same when necessary, furnishing such materials, labor and supervision as may be necessary to transport and burn the gas with safety, and shall be liable for any failure to do so.

1.5 Subject to Company Inspection/Duty of Customer to Maintain

The character and arrangement of the facilities through which the gas is transported from the Company's curb box to the point of consumption shall be subject to the inspection and approval of an authorized agent of the Company, but the Company shall not be responsible in any manner for the installation, use and maintenance of those facilities, and shall have no duty or obligation with respect to the care, maintenance or supervision of the facilities.

RULES AND REGULATIONS - (Continued)

1.6 Service Application

An Applicant is defined as a natural person not currently receiving service who applies for service provided by the Company or any adult occupant whose name appears on the mortgage, deed or lease of the property for which service is requested. All applications for service must be made at least three (3) days prior to the date service is to be initiated. Applications will be accepted, subject to a credit investigation of the Applicant and approval by the Company prior to the initiation of service.

The Company shall not accept an application for new or continued service to a multi-unit building or mobile home park except where such application (1) is made by tenants of the landlord ratepayer pursuant to §1527(a) and (b) of the Public Utility Code (§56.125 of the Commission's regulations); (2) is made pursuant to §1527(d) of the Public Utility Code by a tenant for individual service to the tenant's dwelling unit and such individual service can be accomplished without a major revision of distribution facilities or additional right-of-way acquisitions; or (3) is made by a person with an ownership interest in the affected premises.

1.7 Deposits and Advance Payments

(C)

The Company reserves the right to collect a cash deposit, payable during a 90 day period in accordance with the Commission regulations, from an Applicant in an amount that is equal to one-sixth of the Applicant's estimated annual bill. The estimated annual bill shall be calculated on the basis of the annual bill to the dwelling at which service is being requested for the prior twelve (12) months, or, if unavailable, a similar dwelling in close proximity selected by the Company. A cash deposit may be requested from the following:

- (1) An Applicant who previously received utility distribution services and was a Customer of the Company and whose service was terminated for any of the following reasons:
 - a. Nonpayment of an undisputed delinquent account.
 - b. Failure to complete payment of a deposit, provide a guarantee or establish credit.
 - c. Failure to permit access to meters, service connections or other property of the Company for the purpose of replacement, maintenance, repair or meter reading.
 - d. Unauthorized use of the natural gas service delivered on or about the affected dwelling.
 - e. Failure to comply with the material terms of a settlement or Payment Agreement.
 - f. Fraud or material misrepresentation of identity for the purpose of obtaining service from the Company.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)1.7 Deposits and Advance Payments (Continued)

- g. Tampering with meters, including, but not limited to, bypassing a meter or removal of an automatic meter reading device or other Company equipment.
 - h. Violating tariff provisions on file with the Commission so as to endanger the safety of a person or the integrity of the delivery system of the Company.
- (2) Any Applicant or Customer who is unable to establish creditworthiness to the satisfaction of the Company through the use of the Company's credit scoring methodology approved at Docket No. P-00011915.
- (3) A Customer who fails to comply with a material term or condition of a settlement or Payment Agreement.

Applicants required to pay a deposit upon reconnection pursuant to Section 1.7(1) shall have up to ninety (90) days to pay the deposit.

In lieu of a cash deposit, an Applicant may furnish a third-party guarantor. The guaranty shall be a written document established by the Company stating the terms of the guaranty. The guarantor shall be responsible for all missed payments owed to the Company. The Company reserves the right to require payment in advance for its seasonal regulated service, when customers elect to take such service, in an amount equal to the estimated total gross charges for such seasonal service as determined by the provisions of the rate under which this service is taken.

Deposits secured from a residential customer may be held by the Company until a timely payment history is established when a customer has paid in full and on time for twelve (12) consecutive months. (C)

At the end of the Deposit Hold Period, the Company will deduct any outstanding Customer balance from the deposit and return or credit any positive difference to the Customer. If distribution service is terminated before the end of the Deposit Hold Period, the Company will deduct any outstanding Customer balance from the deposit and return any positive difference to the Customer within sixty (60) days of termination. If the Customer becomes delinquent before the end of the Deposit Hold Period the Company may deduct the outstanding Customer balance from the deposit.

The Company will accrue interest on all Residential cash deposits until returned or credited at the simple annual interest rate determined by the Secretary of Revenue for interest on the underpayment of tax under section 806 of the act of April 9, 1929 (P.L. 343, No. 176), known as The Fiscal Code. (C)

The Company will accrue interest on all non-Residential cash deposits until it is returned or credited at the legal rate of interest pursuant to the loan interest and protection law (section 202 of the act of January 30, 1974 p.l.13, no. 6). (C)

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

1.8 Resale of Gas By Customer

All gas sales pursuant to the terms of this Tariff are to the ultimate purchaser and are not to be resold for profit in violation of 66 Pa. C.S.A. Section 1313.

1.9 Liability for a Prior Bill

The Company will utilize available means of determining liability for a past due balance of any applicant or customer. This may include the following:

- (1) Use of company records maintained in the ordinary course of business.
- (2) Use of skip tracing tools.

2. GAS MEASUREMENT2.1 Meter Tests

The measurement of gas by meter shall be conclusive upon the customer and the Company excepting when such meter ceases to register, proves to be defective, or is found by test not to be accurate within the limits specified in the Regulations of the Pennsylvania Public Utility Commission. In such cases, the consumption for the period in question shall be estimated unless the Commission's regulations require otherwise. In the event of the customer's dissatisfaction with the accuracy of the meter, the Company will, upon written application, have the same removed, sealed and tested, and a certificate of test given the customer. If the meter so tested shall be found to be accurate within the limits specified in the Regulations of the Pennsylvania Public Utility Commission, the customer shall, upon presentation of bill, pay the Company for such test according to the schedule of charges for testing meters formulated by the Commission.

2.2 Definition of a Cubic Foot

- (a) Low Pressure Sales: For sales at standard distribution or low pressure other than as provided for under (b) below, a cubic foot of gas shall be the amount of gas which occupies a volume of one cubic foot at the time metered and under the conditions existing at the customer's meter.
- (b) Other than Low Pressure Sales as under (a) above: For sales at high or intermediate pressures not covered under (a) above, a cubic foot of gas shall be that amount of gas that occupies a volume of one cubic foot at an absolute pressure of 14.73 pounds per square inch and a temperature of 60° Fahrenheit.

2.3 Estimated Consumption

The Company will estimate consumption for one month of each meter reading period where scheduled meter readings are on a bi-monthly basis (See Rule 3.2), and will estimate consumption when scheduled meter readings are not obtained because of emergency conditions or inability to gain access to the meter location, or where a meter for any reason

RULES AND REGULATIONS - (CONTINUED)

2.3 Estimated Consumption (Continued)

fails to register properly the full consumption of a customer, or where the Company is unable to obtain a meter reading for other causes beyond its control.

The customer shall be obligated to pay the bill based on the estimated consumption as though the same was based on an actual meter reading, and failure to so pay may subject the customer and service to Rule 6. Bills based on estimated readings shall be subject to adjustment for any unusual circumstances found to have affected the quantity of gas used.

The customer's service is subject to discontinuance if more than five consecutive bills are based on other than actual meter readings by Company personnel.

2.4 Exceptions to Use of Meters

In cases of emergency where appropriate meters are not available due to circumstances beyond the control of the Company, and the necessity for rendering gas service to a customer is urgent, the Company may, by written agreement with the customer, render bills temporarily on a basis of estimated gas consumption.

2.5 Automatic Meter Readings

All readings by an automatic meter reading device shall be deemed actual readings.

3. BILL AND PAYMENT THEREOF

3.1 Customer at Two Locations

The Company's rates are based upon gas supply through a single delivery point, as measured by one meter. Separate supply for the same customer account at other points of delivery or through more than one meter shall be billed separately. In the event that it is necessary to provide service to a customer through more than one meter because of the system limitations of the Company, combined billing will be permitted.

3.2 Billing and Payment

Bills will be rendered and be payable once each month. The Company may read any meter once each month, but ordinarily it will read meters of residential and commercial customers once each two months. As to any customer whose meter is read once each two months, the consumption for the first month of each bi-monthly meter reading period shall be estimated on the basis of the customer's previous usage, adjusted for weather conditions; and the consumption for the second month of each bi-monthly meter reading period shall be determined by subtracting the first month's estimated consumption from the total actual consumption for the bi-monthly period shown by the meter. The bill for each month shall be the result of applying to the consumption, the applicable rates and charges contained in this tariff.

RULES AND REGULATIONS - (CONTINUED)

3.2 Billing and Payment (Continued)

Upon request the Company will supply any customer annually with a card form upon which the customer may record the meter reading at the end of the first month of each bi-monthly meter reading period. If the card is received by the Company on the date specified on the card, the bill for the month will be computed from the meter reading shown on the card instead of by estimate. The Company will adjust estimates of bills for changes in condition of which it has been notified in advance by a customer. The Company reserves the right to reassign customers into a different billing cycle. If the Company receives a negotiable instrument from an applicant or a customer as payment of any bill, charge or deposit due, and if the instrument (including electronic payment) is subsequently dishonored or is uncollectible for any reason, the Company may charge the applicant or customer a charge of twenty-five dollars (\$25.00).

3.3 Dishonored Payment

If the Company receives a negotiable instrument from an applicant or a customer as payment of any bill, charge or deposit due, and if the instrument (including electronic payment) is subsequently dishonored or is uncollectible for any reason, the Company may charge the applicant or customer a charge of twenty-five dollars (\$25.00).

3.4 Time and Place of Payment

Payments made by mail are assumed to be made on the date of the postmark. Payments made direct at payment receiving offices of the Company and its authorized payment agencies shall be deemed to have been made on date of actual receipt of payment. Bills to the Commonwealth of Pennsylvania or any department or institution thereof, and the United States of America or any department thereof, paid within 30 days from the date of mailing will not be subject to the Finance Charge. Billings made on or after the effective date of a new rate or rider will be made in accordance therewith.

3.5 Execution and Bankruptcy

Service shall, at the option of the Company, cease and terminate, and all claims for previous gas service shall become forthwith due and payable without notice from the Company under the following circumstances, (1) in case a writ of execution is issued against the customer; (2) in case the premises described or referred to in the application as the place at which the gas is to be delivered are levied upon under execution; (3) in case personal property thereon is levied upon under execution; (4) or in case of an assignment or other act of bankruptcy of the customer.

RULES AND REGULATIONS - (CONTINUED)

3.6 Customer Complaints

A Customer must contact the Company about a problem prior to filing a complaint with the PUC. The Company's complaint handling and resolution procedures will conform to the provisions of the PUC's applicable rules and regulations. Pending the outcome of any complaint filed with the PUC, Customers are required to pay that portion of their bill which is not in dispute and subsequent bills which are not in dispute.

4. ACCESS TO PREMISES

4.1 Right of Entry at Reasonable Time

The Company shall have, at all reasonable times, the right to enter in and upon the premises of a customer to (1) read, repair or change meters, or to repair or change regulators, inspect lines and appliances to determine if the gas is being carried, distributed and burned properly and in accordance with these Rules and Regulations (2) to discontinue service and (3) to reclaim any of the property of the Company which may be upon the premises.

4.2 Location of Meter and Accessibility

Meters shall, wherever practicable, be located outside the residence or main building of the customer, but, if located inside, shall be accessible to the Company and shall be placed at a location common to all meters; and, in addition, at structures occupied by persons other than the legal owners thereof, shall not be part of the living quarters of any tenant.

5. TAMPERING

5.1 Customer's Responsibility for Tampering with Meter and Equipment

Where the service facilities or other equipment have been tampered with, resulting in improper measurement of the service supplied or failed transmission of measurement data to the Company, the customer shall be required to pay for such gas service as the Company may estimate, from available information, to have been used but not registered by the Company's meters, and in addition thereto, shall be required to bear all costs incurred by the Company for investigations and inspections, repairs and for such protective equipment as, in the judgment of the Company, may be necessary.

RULES AND REGULATIONS - (Continued)

6. DISCONNECTION, RECONNECTION AND SERVICE CALL TERMS AND FEES

6.1 Disconnection

The authorized agents of the Company shall at all reasonable times have access to the premises of the customer with the right to shut off the gas and remove its property from the premises upon reasonable notice, unless otherwise required by the Commission's regulations, for any of the reasons listed below. Discontinuance or termination of service for any of the following reasons shall not relieve a customer from liability for any minimum payments due:

(a) Replacement, Maintenance, Repairs, Non-payment, Meter Reading

For failure to permit access to meters, service connections or other property of the Company for the purpose of replacement, maintenance, repair or meter reading; for non-payment of any undisputed delinquent account; for failure to complete payment of a deposit, provide a guarantee of payment or establish credit; and for failure to comply with the material terms of a Payment Agreement. The Company cannot terminate service for nonpayment of competitive third party natural gas supplier charges unless such charges were purchased by the Company under the Purchases of Receivable provisions provided in 11.29 of the Rules and Regulations of this tariff.

A Payment Agreement is an agreement whereby the Customer, upon admitting liability for billed service, is permitted to amortize or pay the unpaid balance of the account in one or more payments. (C)

(b) Violation of Contract, Misrepresentation, Unauthorized Use

For any violation of the terms of service or of these Rules and Regulations so as to endanger the safety of a person or the integrity of the distribution system; or for fraudulent misrepresentation in relation to the consumption of gas or customer identity for the purpose of obtaining service; or unauthorized use of service.

(c) Tampering With Meter or Other Utility Equipment

For tampering with the meter or connection, or for the use of gas through rubber hose, defective piping, or unsafe appliances;

(d) Shortage of Gas, Larceny

For shortage of gas or reasons for safety; for larceny of gas; for any action by the customer to secure through the customer's meter, gas for purposes other than those contracted for, or for any other party, without the written consent of the Company.

RULES AND REGULATIONS - (Continued)6.1 Disconnection (Continued)(e) Dangerous Conditions

If a dangerous condition is found to exist on the premises of customer.

(f) Dishonorable Tender of Payment After Receiving Termination Notice

After the Company has provided a written termination notice and attempted telephone contact, termination of service may proceed without additional notice if: (1) a customer tenders payment which is subsequently dishonored, or (2) a customer tenders payment with an access device which is unauthorized, revoked, or cancelled.

6.2 Reconnection Charge

The Company may not deny restoration of service for the nonpayment of competitive third party natural gas supplier charges.

(a) Residential(1) Residential Termination for Non-payment/Noncompliance

Whenever a residential customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, a reconnection charge of \$50.00 must be paid at the office of the Company before the gas will be turned on again.

(2) Payment of Outstanding Balance

The Company may also require the payment of any outstanding balance or portion of an outstanding balance if an applicant resided at the property for which service is requested during the time the outstanding balance accrued and for the time the applicant resided at the property.

(3) Disconnection at Customer's Request

If service is discontinued at the request of a residential customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$50.00.

(b) Commercial

If a commercial customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, the Company shall not be under any obligation to resume service to the same customer at the same premises without the payment of a reconnection charge of \$210.00.

If service is discontinued at the request of a commercial customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$210.00

RULES AND REGULATIONS - (Continued)

(c) Industrial

If an industrial customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, the Company shall not be under any obligation to resume service to the same customer at the same premises without the payment of a reconnection charge of \$210.00.

If service is discontinued at the request of a industrial customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$210.00.

6.3 Transfer and Connection Fees(a) Residential

The Company shall charge a transfer fee of \$25.00 to residential applicants, including but not limited to landlords of residential property, when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$50.00 for residential applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location, except where 6.2 applies.

(b) Commercial

The Company shall charge a transfer fee of \$115.00 to commercial applicants, including but not limited to landlords of commercial property, when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$230.00 for commercial applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location.

(c) Industrial

The Company shall charge a transfer fee of \$115.00 to industrial applicants when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$230.00 for industrial applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location.

RULES AND REGULATIONS - (CONTINUED)

6.3 Transfer and Connection Fees (Continued)

In no case shall a connection or transfer fee be charged to a residential ratepayer whose income does not exceed 150% of the Federal Poverty Level and/or who is eligible to receive a LIHEAP award; or to the builder of a residence or commercial building who is using natural gas during the construction process; or to a ratepayer in a competitive posture, as determined in the sole discretion of the Company. Separate connection fees for reinstatement are set forth in Section 6.2.

6.4 Customer Service Charge

(a) Residential

Any residential customer requesting service that requires an on-site visit will be charged a service charge of \$70.00.

For residential customers requesting same-day service that requires an on-site visit an additional \$70.00 fee shall apply. This service is provided based on resource availability and is in addition to any fees for services performed or other applicable services outlined in this tariff.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$70.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$60.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance; and \$100 service charge for inspection of residential, renewed, house lines.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

Customers that request to add a meter set without adding additional load will be charged \$225.00 for 1 meter, \$275.00 for 2 meters and \$105.00 each for 3 or more meters.

(b) Commercial

Any commercial customer requesting service that requires an on-site visit will be charged a service charge of \$105.00.

For commercial customers requesting same-day service that requires an on-site visit an additional \$105.00 fee shall apply. This service is provided based on resource availability and is in addition to any fees for services performed or other applicable services outlined in this tariff.

RULES AND REGULATIONS - (CONTINUED)

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$105.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$340.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

(c) Industrial

Any industrial customer requesting service that requires an on-site visit will be charged a service charge of \$105.00.

For industrial customers requesting same-day service that requires an on-site visit an additional \$105.00 fee shall apply.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$105.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$340.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

(d) Excess Flow Valve

(C)

At the Customer's request, the Company will install an excess flow valve. If the customer requests installation of the excess flow valve and the Company has not scheduled the location for a service line replacement or a new service line, or the customer requests the installation prior to the Company's scheduled installation time, the customer shall be responsible for the cost of the materials and installation to be paid prior to installation.

6.5 Seven Days Notice

Customers who intend to remove from the premises, discontinue the use of gas or terminate in any manner their liability to pay for gas delivered to the premises, shall give seven days' notice thereof; otherwise they will be held responsible for all gas delivered to the premises until seven days shall have expired after such notice has been received. New occupants must make application at the office of the Company at the time they commence the use of gas, or they will be held responsible for any back charge against the premises.

RULES AND REGULATIONS - (CONTINUED)6.6 Final Bill

Except as otherwise provided in this rule, final bills for customers receiving service under any rate schedule within this tariff may be based on estimated consumption without an actual meter reading. When disconnect and reconnect orders are executed on different days, an actual or estimated meter reading shall be obtained. When disconnect and reconnect orders are executed on the same day, final bills may be estimated. When a final bill is estimated, consumption shall be based on average daily usage for non-heat usage, average usage per degree day for heating usage, and the number of days in the final billing period in accordance with the Rule 6.5 Seven Days Notice. Final bills will not be estimated when usage factors cannot be calculated, when a customer specifically requests that the meter be read, or when the customer provides the meter reading which is subject to the Company's review. The Company reserves the right to estimate any customer's final meter reading in instances where access to the meter is not provided within a reasonable time.

RULES AND REGULATIONS - (CONTINUED)

7. CURTAILMENT OF SERVICE

When for any reason, in the Company's judgment, its supply of gas is insufficient to meet the firm requirements of all customers on a continuing basis, the Company shall have the right to partially or completely curtail gas service. This rule does not apply to normal limitations on the use or interruption of interruptible service contemplated pursuant to the Company's interruptible service offerings.

7.1 Priority of Service

Curtailement of service will commence with the highest numbered priority set forth below and proceed in descending order to the next lower numbered priority after all requirements in the higher number priority have been completely curtailed. Where only partial curtailment of one priority is required, such will be implemented pro rata, that is, weighted in accordance with the base period volumes of the customers within that classification. Following are the priority of service categories listed in descending order of priority:

- (1) Residential and firm critical commercial essential human needs.
- (2) Firm small commercial requirements, excluding critical essential human needs requirements in Category 1, and firm large commercial, as well as large and small industrial requirements for plant protection.
- (3) Firm small industrial requirements excluding plant protection requirements in Category 2.
- (4) Firm large critical commercial and industrial requirements, excluding firm critical commercial essential human needs requirements in Category 1 and firm commercial and industrial requirements for plant protection in Category 2.

RULES AND REGULATIONS - (CONTINUED)

7.1 Priority of Service (Continued)

- (5) Firm large non-critical commercial and industrial requirements other than requirements for boiler fuel use.
- (6) Firm large non-critical commercial and industrial requirements for boiler fuel use when the boiler fuel usage in the aggregate is greater than 300/Mcf/day.
- (7) Service which is interruptible pursuant to the Company's tariff rate schedules.

7.2 Definitions

The definitions for terms used in the Priority of Service Rule are as follows:

Alternate Fuel Capability: The ability to use an alternate fuel. whether or not the facilities for such use have actually been installed. For purposes of this definition, alternate fuel means any fuel other than natural gas, propane or other gaseous fuel.

Commercial Use: Gas usage by customers engaged primarily in the sale of goods or services including, but not limited to, consumption by office buildings, institutions and governmental agencies. Commercial use shall not include use of gas for manufacturing or electric power generation.

Critical Use: Gas usage where natural gas, propane or other gaseous fuel is the only feasible form of energy due to its combustion characteristics, controllability or chemical properties.

Essential Human Needs Use: Gas usage by customers without alternate fuel capability for service to any buildings where persons normally dwell, including, but not limited to, apartment houses, dormitories, hotels, hospitals and nursing homes as well as the use of natural gas by sewage plants.

Firm Service: Service pursuant to schedules or contracts under which the utility is expressly or impliedly obligated to deliver specific volumes within a given time period or which anticipate no interruptions, but which may permit unexpected interruptions in case service to higher priority customers is threatened. A utility shall be deemed to be impliedly obligated to deliver specific volumes where such utility has by any means previously or presently established periodic allocations for its customers.

Industrial Use: Gas usage by customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.

RULES AND REGULATIONS - (CONTINUED)

7.2 Definitions (Continued)

Interruptible Service: Service pursuant to schedules or contracts under which the utility expressly or impliedly reserves the option to interrupt or curtail deliveries.

Non-Critical Use: Gas usage where natural gas, propane or other gaseous fuel is not the only feasible form of energy, i.e., where the user has alternate fuel capability.

Plant Protection Use: Minimum volumes of natural gas required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternative fuel. Plant protection requirements include volumes necessary for the protection of such material in process as would otherwise be destroyed, but does not include deliveries required to maintain production.

Residential Use: Gas usage in a residential dwelling or unit for space heating, air-conditioning, cooling, water heating or other domestic purposes.

Large Commercial and Industrial Customers: Commercial and industrial customers having a peak day usage of 300 Mcf per day or more.

Small Commercial and Industrial Customers: Commercial and industrial customers with peak day usage of less than 300 Mcf per day.

Peak Day: The highest maximum monthly volume in the base period, divided by the number of billing days in that month.

Monthly Entitlement Volumes: The maximum volume of gas that the Company is obligated to deliver to a commercial or industrial customer in a month.

Maximum Seasonal Volumes: The total of the monthly authorized volumes for the following time periods:

- a) Winter Season: The billing months of November through March.
- b) Summer Season: The billing months of April through October.

The customer shall be billed and shall pay for all volumes taken in excess of the customer's maximum seasonal volumes at the applicable rate, together with any other applicable charges pursuant to Rule 7.5 herein.

Monthly Authorized Volumes: The customer's monthly entitlement volume reduced or limited as a result of the application of the curtailment provisions set forth in Rules 7, 7.1 and 7.3.

RULES AND REGULATIONS - (CONTINUED)7.3 Base Period Volumes

Monthly entitlement volumes shall be established for each non-Priority One commercial and industrial customer, having a peak day usage of 300 Mcf/d or more, on the basis of actual billing month usage for a 12 month period at the Company's discretion extending from January 1, 1971 through December 31, 1971. Such maximum monthly volumes shall constitute a customer's base period volume and shall be used to provide for the equitable allocation of gas available for sale to firm customers.

The base period volume shall be further divided by the Company into the base volumes for each Priority of Service in Categories 2, 4, 5, 6 and 7. For the purpose of distributing base period volumes into the appropriate curtailment priority categories, each affected commercial and industrial customer shall furnish such historic consumption and equipment data as the Company may require.

Base period volumes shall be adjusted (1) to recognize abnormalities in plant operations during the base period as well as deletions or approved installations of equipment during or subsequent to the base period, (2) to include volumes of gas equivalent to volumes conserved during the base period when the customer converted gas burning equipment to alternate fuel in anticipation of future curtailment and (3) to include volumes of gas consumed by equipment approved for installation prior to January 1, 1971 for industrial customers and prior to October 1, 1974 for commercial customers.

The Company reserves the right to annually review the base period volumes and to adjust such base period volumes upward or downward based upon the customer's actual consumption of sales service and/or contractually specified needs for firm service provided, however, that upward adjustment of a customer's base period volumes may be made only in time periods when Equitable is approving gas sales to new customers or additional gas sales to existing customers.

Where the Company has entered into a contract specifying an annual volume of firm gas to be delivered or made available, and that volume is less than the imputed base period volume, the annual contractual volume shall be deemed to be the annual base period volume.

RULES AND REGULATIONS - (CONTINUED)

7.4 Gas Shortage, Curtailment

Base period volumes shall be used as the basis for determining each customer's authorized entitlement in the event of curtailment. Authorized entitlement shall be determined by multiplying the customer's base period volume for the priority to be curtailed by the ratio of the total gas available for that priority category to the total of all base period volumes of all customers in that priority category. When, in the Company's judgment its supply of gas is insufficient to meet the base period volume requirements of all customers on a continuing basis, or when continued delivery of gas to customers would prevent the injection of gas into underground storage reservoirs for the protection of winter supply, deliveries may be curtailed in accordance with the seven priorities of service outlined in Rule 7.1.

Customers with Categories 4, 5 and 6 requirements may be restricted to monthly entitlement volumes when, in the Company's judgment, its supply of gas will be insufficient to meet the requirements of all of its customers on a continuing basis absent such restriction.

Whenever it is necessary to curtail Category 6 requirements, all customers with Categories 4 and 5 requirements shall be limited to the lesser of their base period volumes or their authorized entitlements.

Maximum possible notice of a gas shortage curtailment or of a change in curtailment level shall be given. If such notice is by telephone, then it must be followed by a written notice to the customer, specifying the customer's curtailment percentage and resulting peak day, daily, monthly, seasonal or annual authorized entitlement as the case may be.

The Company may curtail or discontinue gas service in accordance with this rule without thereby incurring any liability for any loss, injury or expense that may be sustained by the customer.

7.5 Penalty Provisions for Excess Takes

Provisions of these or any other penalty sections do not serve to reduce any charge, assessment, or penalties otherwise payable or applicable under provisions of any effective rate schedule or contract

At the end of each billing month, a customer having a peak day of 300 Mcf per day or more in its base period, who has exceeded the authorized monthly entitlement for the first time during each curtailment period, shall receive written notice advising the customer of the penalty provisions of this Rule. Such written notice will also advise the customer to reduce usage in subsequent months so that the sum of all actual monthly consumptions will not exceed the maximum seasonal volume.

RULES AND REGULATIONS - (CONTINUED)

7.5 Penalty Provisions for Excess Takes (Continued)

Should a customer exceed its monthly seasonal volume for the winter or summer period, that customer shall pay a penalty computed according to the following schedule:

Winter Period

If, at the end of the five month period ending with the March billing period, a customer has exceeded the sum of its monthly authorized entitlements for such a period, that customer shall pay on demand a penalty according to the following schedule:

<u>Actual Usage as Percentage of Total Monthly Authorized Entitlement</u>	<u>Penalty for Excess Takes</u>
Greater than 103% but not in excess of 110%.	\$10/Mcf
Greater than 110% but not in excess of 125%.	\$20/Mcf
Greater than 125%.	\$50/Mcf

Summer Period

If, at the end of the seven month period ending with the October billing month, a customer has exceeded the sum of its monthly authorized entitlements for such period, that customer shall pay on demand a penalty according to the following schedule:

<u>Actual Usage as Percentage of Total Monthly Authorized Entitlement</u>	<u>Penalty for Excess Takes</u>
Greater than 103% but not in excess of 110%	\$10/Mcf
Greater than 110% but not in excess of 125%	\$20/Mcf
Greater than 125%	\$30/Mcf

There shall be excluded from the volumes subject to penalty under this provision, volumes for which the buyer has previously been penalized pursuant to over-runs of emergency curtailment. (Rule 7.8)

RULES AND REGULATIONS - (CONTINUED)

7.6 Availability of Excess Gas

If in the Company's judgment, sufficient gas supply is available to permit deliveries in addition to the monthly authorized entitlement in any month, the Company will provide all buyers with as much advance notice as possible of the amount of such additional gas anticipated to be available. Such gas shall be apportioned by the Company to all customers of the highest priority being curtailed on the basis of the total of the base period volumes for all buyers in that priority for that month.

To the extent that a customer has exceeded the sum of its authorized entitlements for any period, penalties shall not be assessed for any excess volumes authorized pursuant to the provisions of this section.

7.7 Disposition of Penalties

As of December 31 of each year, the Company shall subtract the total of all over-run penalties paid that year to the Company's suppliers from penalties collected that year from customers. The Company will then distribute among its curtailed customers who did not incur over-runs, all penalties collected in excess of those paid by the Company to its suppliers.

To determine the amount of reimbursement due a customer, the total amount to be redistributed shall be divided by the total volume of sales during the twelve month period to all customers eligible for reimbursement. This quotient shall represent the factor, which when multiplied by an eligible customer's total purchase volume during the twelve month period will equal the amount to be credited to that customer. However, no reimbursement shall be made to customers who have terminated service during the year.

The Company will specify a reasonable minimum for the amount of penalties that will be distributed, below which excess penalties shall be retained until the distributable amount is accumulated. The Company will make periodic reports to the Commission containing itemized statements, status of penalty accounts and the extent and nature of disbursements from such accounts made during that period.

RULES AND REGULATIONS - (CONTINUED)

7.8 Emergency Curtailment

When the Company is unable to fulfill the daily requirements of all its firm service customers because of reasons unrelated to long range supplies, the Company may require each large commercial and industrial customer to reduce its consumption of gas. In the event further reductions to system demand are required, the Company may require other commercial and industrial customers to reduce their consumption. The reduction required shall be determined by the Company without regard to priorities of use; however, the authorized volume shall not be lower than the minimum volume necessary for the prevention of damage to plant equipment.

The Company shall specify in the notice of the emergency curtailment, the authorized consumption for a specified period or until further notice. An emergency curtailment may be made after oral notice to the customer, effective when so given, but such oral notice must be confirmed in writing within 48 hours. The Commission is to be notified immediately of the declaration of an emergency situation.

If a customer exceeds its authorized consumption during a period of emergency curtailment, then the customer shall pay a penalty according to the following schedule:

<u>Actual Usage as a Percentage of Emergency Authorized Consumption</u>	<u>Penalty for Excess Takes</u>
Greater than 103% but not in excess of 110%	\$10/Mcf
Greater than 110%	\$25/Mcf

8. LIABILITY

8.1 Failure of Supply

The Company does not guarantee uninterrupted gas service and shall not be liable for damages due to variations in or interruptions of service.

8.2 Disclaimer of Warranty; Limitation of Liability

The Company makes NO WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, express or implied, by operation of law or otherwise. The liability of Company arising out of failure to comply with a customer's direction to install, restore or terminate service, or mistakes, omissions, delays or errors or defects in the delivery of gas,

RULES AND REGULATIONS - (CONTINUED)

8.2 Disclaimer of Warranty; Limitation of Liability (Continued)

for damage or injury arising from the presence or use of gas after it passes from the Company's facilities is limited to when such damage or injury occurs as a result of the company's willful misconduct, reckless acts or gross negligence. In no event will Company be liable for incidental, indirect, special or consequential damages, including but not limited to loss of use or loss of profit. These limitations shall apply whether the claim is pleaded in contract or in tort, including negligence and strict liability in tort.

8.3 Waste, Leaks Excessive Pressure, etc., Notice to Company

The customer shall use all due care to prevent waste of gas and the responsibility of detection of defects or leaks between the curb and point of consumption of gas is upon the customer; and in case of failure or deficiency of gas, irregular supply, leakage, excessive pressure and other developments incident to handling gas under pressure, the customer agrees to give immediate notice thereof to the Company and customer's failure to do so, should loss follow, shall be conclusive evidence of negligence on the part of the customer.

9.SERVICE FROM FIELD LINE

9.1 Company May Discontinue Service

It is understood and agreed that in case the line from which the Company supplies gas is a field line, the same may not be a permanent one, and the Company may, at its own discretion, cease to furnish gas, either temporarily or permanently, and change, repair or remove its pipe line, or change the use of it, and either party may cancel service on ten days' written notice, without prejudice to the right of the Company to continue its supply to other customers.

9.2 Company Not Liable for Damage

The Company shall not be liable for any deficiency in the supply caused by the use of pumping stations, breakage of lines, or other causes, or for any claim for damage on account of any matters set forth in this rule.

9.3 At Field Pressure

Gas from field lines shall be furnished by the Company at the point of connection between the customer's service line and the Company's main, and shall be allowed to flow into the customer's service line at the pressure in the main of the Company, which pressure, it is understood, is not governed by regulations but varies from time to time.

RULES AND REGULATIONS - (Continued)9.4 Customer to Furnish Regulator

The customer shall furnish a regulator or regulators approved by the Company and assume the duty of regulating the flow and pressure on the customer's own service line and house lines by the necessary labor, care and supervision of the same, so that the customer may safely conduct gas over the customer's premises and use it at a pressure not exceeding eight ounces per square inch.

9.5 Customer Assumes Risk

The customer assumes all risks from variation in pressure, from defects in pipe, connections and appliances, from leakage of gas, from the sticking of valves and regulators, and from all causes incident to the use of gas.

10. AGREEMENTS INCONSISTENT HERewith

10.1 Agreements

No agent or employee of the Company has authority to make any promise, agreement or representation inconsistent with these Rules and Regulations, and no such promise, agreement or representation shall bind the Company unless in writing signed by an executive officer of the Company.

11. RULES APPLICABLE TO DELIVERY AND POOLING SERVICES

11.1 Confirmation of Ratepayer Enrollment

(C)

When the Company receives notice that a ratepayer has elected to switch NGSS or return to the Company's Supplier of Last Resort service, the Company shall initiate the confirmation procedure described herein. Such changes shall coincide with the start of customer's next billing cycle. (C)

a. The NGS must maintain either a mainframe computer or a personal computer that meets the processing capabilities required by the Company.

b. The NGS shall notify the Company of new or deleted ratepayers via e-mail file in approved spreadsheet format. The NGS should notify the Company only of additions or deletions to its ratepayer list; existing ratepayers shall not be included. Notification from the NGS of new or deleted ratepayer shall consist of the following information: Ratepayer name, Service Address, the Company Account Number, Date and Time of file preparation, the NGS's assigned Pool Code (rather than the NGS name) and the NGS's assigned Rate Numbers, if the Company is billing on behalf of the NGS.

d. The NGS may submit additions, changes or deletions from its ratepayer list to the Company on a daily basis. Such additions, changes or deletions from the ratepayer list will become effective for the service period reflected in the second bill issued following the date such additions, changes or deletions are submitted to the Company.

RULES AND REGULATIONS - (Continued)

e. The Company shall notify the NGS with a report via the Internet if a new ratepayer is not processed. The circumstances in which a ratepayer will not be processed may include, but are not limited to, the information provided by the NGS does not match the Company's required data elements, the ratepayer submitted by the NGS is not eligible for the requested service, and the ratepayer is no longer receiving service from the Company. Such report will be issued on the Company's web site following processing and will include the reason the ratepayer has not been processed.

f. Once a prospective ratepayer's request has been processed, the Company shall mail out a confirmation letter to each ratepayer by the end of the next business day after the date the Company receives notification from the NGS that the ratepayer has elected to switch NGSs or return to the Company's supplier of last resort service, asking the ratepayer to notify the Company if information in the confirmation letter is inaccurate. Such confirmation letter shall include, if appropriate, the ratepayer's pool operator choice as stated by the NGS, the applicable billing option, the approximate

date when transportation service is to begin and the date that the first bill will be mailed.

(C)

g. Should the Company receive notification from a ratepayer within the five (5) calendar days required under the confirmation letter that the ratepayer's gas service or gas supply election as described by the NGS is in error, the Company shall so notify the NGS. In case of notification by ratepayer of such error, the Company shall continue billing the ratepayer under the ratepayer's current billing arrangement. Should the Company receive notification from the ratepayer that the ratepayer's gas service or gas supply election as described by the NGS is in error, but not receive such notification within the five (5) calendar days period, the Company shall advise the (C) ratepayer to contact the NGS to request cancellation, and if requested by the ratepayer, the Company will treat this as an alleged slamming complaint.

h. On or about the eighteenth (18th) of the month, the Company will post on its web site, a list of ratepayers for the forthcoming month. Additions and removals from the NGS will also be reported on a daily basis in an activity file.

i. Should the Company receive notification by more than one NGS within a one-month period that the ratepayer has elected said NGS to supply ratepayer's natural gas, the Company shall proceed with the confirmation process using the first NGS which notifies the Company, unless the ratepayer informs the Company otherwise.

j. The Company will issue, at a minimum, a monthly report of ratepayers who have discontinued service with the NGS via Internet, which shall include discontinuances initiated by the incumbent NGS, the ratepayer or ratepayer's new NGS.

11.2 Service Agreement

Service agreements for delivery services are not required unless the customer consumes more than 10,000 Mcf per year or has negotiated a delivery service rate less than the maximum rate.

When a service agreement is required, an agreement for a minimum of one year must be executed by each applicant as a condition to receiving delivery service unless the Company agrees to a shorter term. The Service Agreement, when required, shall include but not be limited to: 1) the point(s) at which the Company will receive customer's gas; 2) the point(s) at which the Company will deliver customer's gas to customer's facilities; 3) pressure, maximum and minimum daily volumes, and annual delivery service volumes. Delivery of gas will not begin until a Service Agreement is fully executed.

11.3 Natural Gas Supply Shortage

In the event of a natural gas supply shortage which threatens Priority 1 Service, the delivery service customer agrees to sell its natural gas supply to the Company at the Company's weighted average cost of gas. If the delivery service customer is a Priority 1 customer, this section will apply only in the event of and to the same extent as curtailment of service to all Priority 1 customers impacted by the gas supply shortage. The customer will be required to furnish a copy of the customer's supply contract or other evidence of price to the Company upon request.

C) Indicates Change.

RULES AND REGULATIONS - (Continued)

11.4 Shrinkage

The Company's retention allowance for delivery service shrinkage is 5.2 (D) percent of the total volume delivered into its system. The Company reserves the right to discount shrinkage at the Company's discretion.

In addition to the shrinkage rate listed above the Company reserves the right to retain a portion of all Apollo District transportation volumes as compressor fuel. The portion will be established in each customer contract based upon the character of the actual service to be provided by the Company, but will not be greater than 3.0%

11.5 Quality of Gas

Gas of suitable quality, consistent with the Company's operating standards, must be provided by the customer at receipt point(s) designated in the Service Agreement.

11.6 Obligation To Serve

Delivery service customers who hold assigned capacity pursuant to Rate FPS sufficient to meet their firm requirements may return to sales service and the Company will accept back the underlying capacity. The Company shall treat delivery service customers who do not hold assigned capacity sufficient to meet their firm requirements and who wish to return to retail service in the same manner in which it would treat similarly situated customers who apply for retail service for the first time, except that, if the customers are permitted to return to firm service, then the Company shall accept back any capacity previously assigned to the customers.

For Pool Administrators not electing the Company's Purchase of Receivables (POR) billing option, failure of a customer to pay a Pool Administrator's bill is not a basis for termination of a customer by the Company or for denying the customer's return to retail sales service. Where the Company provides a consolidated bill, partial payment will be credited in accordance with the Commission's currently effective Guidelines for Maintaining Customer Service. Customer accounts, whose Pool Administrator has elected to participate in the Company's POR billing option, who fail to pay for basic services may be terminated pursuant to Rule 6.1.

11.7 Company Agency

The Company will offer this service as an agent for securing storage services, transportation capacity on transmission pipelines to transport customer's gas to the pipeline delivery points on the Company's system and gas supply services only under the following limited circumstances: (1) The customer requests such service of the Company; (2) the customer is an existing customer of the Company; (3) the customer represents that it has received a bona fide offer from another company to bypass or otherwise leave the Equitable distribution system; (4) Equitable must attempt to obtain offers for supply services from at least three different natural gas suppliers; and (5) Equitable shall provide documentation to the Commission, upon request, that the four conditions above have been met.

(D) Indicates Decrease.

RULES AND REGULATIONS - (Continued)

11.8 Verification of Gas Delivered

The customer is responsible for providing or causing to be provided to the Company any and all information requested by the Company in order to verify the volumes of gas delivered into the Company's system on behalf of the customer.

11.9 Additional or Updated Facilities

The customer will reimburse the Company for the addition, alteration, and installation of facilities and/or equipment deemed necessary by the Company to administer and provide service to the customer. The customer will pay the cost of maintaining Company facilities devoted solely to serving the customer.

11.10 Commingled Gas

The Company reserves the right to commingle gas of the customer with that of other suppliers and customers.

11.11 Additional Charges

The customer's agent or, where applicable, a GDS customer, shall be liable for any additional charges which arise out of the provision of delivery service. Any charge, penalty or obligation imposed by a pipeline transporter or supplier as a result of the monthly or daily balancing of the customer's deliveries and consumption shall be paid by the customer's agent or where applicable the GDS customer in addition to the applicable charges set forth elsewhere in this Tariff and under the applicable delivery service rate schedule.

11.12 Estimated Consumption

The Company reserves the right to estimate consumption for delivery service customers. Please see Rules 2.3 and 3.2 in the Rules and Regulations of this tariff.

11.13 Operational Flow Order (OFO)

The customer's agent or, where applicable, GDS customers are subject to the Company's issuance of OFOs. In order to address operational reliability or, in the case of GDS, to prevent undue cost shifting the Company will have the authority to direct a customer, or where the customer is part of an aggregation pool, the customer's Pool Administrator, to adjust daily scheduled volumes to a specified level or to deliver gas to specified receipt point(s) into the Company's distribution system or to receipt points prescribed by upstream pipelines. Generally, during peak design day conditions, the specified level will be equal to the Maximum Daily Quantity (MDQ) as defined in 11.17. Should conditions be greater or less than peak design day conditions, the specified level of the OFO may be greater or less than the MDQ. Required deliveries to specified receipt points will not exceed: in the case of a FDS customer, the customer's primary delivery capacity to that receipt point; in the case of a GDS or DDS customer, the customer's MDQ for that receipt point as set forth in the customer's service agreement. Action or inaction by the Company shall be reviewable in the Company's Section 1307(f) proceedings.

RULES AND REGULATIONS - (Continued)

When a difference exists between the daily OFO volume and actual daily scheduled deliveries to the Company or between the OFO volume to a specified receipt point and the actual deliveries to that receipt point, the following charges will be assessed:

- 1) Ten dollars per Mcf on the difference; and
- 2) A pro-rata share of any other charges incurred by the Company as a result of the customer's noncompliance with the OFO.

In addition, where the daily OFO volume exceeds the actual daily scheduled deliveries to the Company, the difference will be Cashed-out at 150% of the sum of the highest price gas purchased by the Company, on the day the shortfall occurs, plus the applicable transportation costs, including retainage, to transport the gas from the supply area to the Company's city gate and the applicable Gross Receipts Tax.

If a customer or its agent fails to comply with an OFO the Company may suspend, for one year, the party responsible for the non-compliance. The degree of harm caused by such non-compliance and any efforts undertaken in attempting to comply shall be factors considered in any suspension. In the event of a proposed suspension, the Company will provide the party notice of such action, advising the party of the opportunity to meet with a Company representative who shall have authority to recommend the canceling of such suspension. The Company's actions shall not be unduly discriminatory and shall be subject to Commission review pursuant to the complaint procedure of the Public Utility Code, including an opportunity to obtain a stay of such suspension pending final resolution by the Commission. Suspension of a customer shall mean the customer must return to an applicable sales service within this tariff. Suspension of an agent shall mean the agent's pool(s) will be dismantled. In that case, all customers included in the suspended agent's pool(s) must choose one of the following options: return to an applicable sales service under this tariff or join another pool that is not affiliated with the suspended agent.

11.14 Finance Charge

If payment of a monthly bill for regulated services for commercial and industrial customers has not been received within fifteen days from the date of mailing or twenty days in the case of a bill for residential service, a Finance Charge of 1.5 percent will be added to the unpaid balance each month until the entire bill is paid.

RULES AND REGULATIONS - (Continued)

11.15 Billing Service

The Company will bill customers each month for Distribution services. A Pool Administrator may elect to have the Company bill for its basic services (commodity charges) on this monthly statement. An Agreement for this consolidated billing service must be entered into between the Company and the Pool Administrator which shall include, but not be limited to: (1) services and bill content; (2) billing and payment data exchange, (3) collection and remittance of taxes, (4) charges and fees. The Company shall not be required to provide space for bill inserts, bill messages, or for the billing of charges other than gas commodity charges. Customers' payments shall be credited first to amounts due to the Company, including finance charges, installment payments of amounts due to the Company under an existing payment plan and receivables acquired under a POR program. . Partial payments will be applied in accordance with Commission guidelines. (C)

11.16 Liability

Subject to Rule 8.2 of this tariff, the Company shall not be liable for any loss or injury, including but not limited to loss of gas or interruption of service, arising from or out of the Company's delivery services unless such loss or injury is a direct result of the Company's willful misconduct, reckless acts or gross negligence. The Customer's Agent/Pool Administrator, or, where applicable, a GDS customer shall indemnify Company from and against any and all losses and damages of every kind and character which customer or agent may sustain or be liable for, and will hold Company harmless from any and all damages, claims, suits, actions or proceedings, either threatened or initiated, as the result of issuance of an OFO, except for losses, damages or expenses caused solely by Company's willful misconduct, reckless acts or gross negligence.

11.17 Maximum Daily Quantity

All delivery service customers will be assigned, by the Company, a Maximum Daily Quantity (MDQ). The MDQ will be equal to the customer's estimated usage on a design day. Unless specified by the Company, a customer may not nominate gas above the MDQ.

11.18 Commercial and Industrial Customers

Large Commercial and Large Industrial Customers are customers who the Company estimates will use more than 1,000 Mcf of gas annually through a single meter in a 12 month period. (C)

Small Commercial and Small Industrial Customers are all other commercial and industrial customers who qualify for delivery service.

RULES AND REGULATIONS - (Continued)

11.19 Creditworthiness

(C)

In order to commence pooling service or continue pooling service on the Company's system, the Company requires a Pool Administrator to establish its creditworthiness using the following criteria or, being unable to establish creditworthiness, provide security to the Company ensuring the Pool Administrator's financial responsibility. The Company will apply creditworthiness criteria to all Pool Administrators on a non-discriminatory basis.

Creditworthiness Criteria:

(a) At the Company's request, a Pool Administrator shall provide current audited financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss the Pool Administrator's financial condition, a list of all corporate affiliates, parent companies and subsidiaries, and any available credit reports. The Company shall apply consistent analytical criteria to determine if a Pool Administrator's overall financial condition meets internal credit risk parameters.

(b) In addition to the information described in (a), a Pool Administrator shall provide a bank reference and at least two trade references. The results of the reference checks and any credit reports submitted in (a) must show that a Pool Administrator's obligations are being paid on a timely basis.

(c) A Pool Administrator must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation under state laws. A Pool Administrator must not be subject to the uncertainty of pending or threatening litigation in state or federal courts or regulatory proceedings which could (1) cause a substantial deterioration in its financial condition, (2) cause a condition of insolvency, or (3) endanger its ability to exist as an ongoing business. (C)

(d) The Pool Operator must hold a Natural Gas Suppliers License from the Commission. (C)

(e) If a Pool Administrator has a relationship with the Company, then the Pool Administrator: (i) must have paid its account in the past according to the terms of the service agreement; and (ii) must have no delinquent balances outstanding for services rendered by the Company. (C)

(f) Pool Administrator must provide written notification to the Company within two business days if a Pool Administrator initiates or becomes a party to any of the events or actions described in (c), or if a Pool Administrator's Credit Rating is downgraded below Ba3 from Moody's or BB- from S&P or Fitch. "Credit Rating" means the rating assigned to the Pool Administrator's unsecured, senior long-term debt obligations (not supported by third party security) by Moody's, S&P, or Fitch. (C)

RULES AND REGULATIONS - (Continued)

"Moody's" means Moody's Investor Services, Inc., or its successor. "S&P" means the Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor." "Fitch" means Fitch Ratings (a division of the Fitch Group) or its successor. If Pool Administrator is rated by more than one rating agency and the existing Credit Ratings are split, then Pool Administrator must maintain an Investment Grade Rating from any two of the three rating agencies.

Security Ensuring Financial Responsibility:

If a Pool Administrator fails to establish its creditworthiness under one or more of the criteria described above in (a), (b), (c), (e), and (f), Pool Administrator will provide security ensuring its financial responsibility that shall include the following components and shall be calculated based on the projected peak winter month usage served by the pool operator: (C)

1. All applicable pooling and aggregation fees; (C)
2. All applicable billing fees; and
3. Projected imbalance fees using the maximum imbalance price multipliers and assuming that the pool operator fails to deliver gas supplies during the peak month.

The Company shall consider the forms of security enhancements as set forth In 52 Pa. code §§ 62.102 - 62.114. The Company may also consider as a form of security such amounts collected by the Company on behalf of the pool operator or such other security as is mutually acceptable to both the Company and the NGS. The Company reserves the right to determine which of these financial instruments shall be established as a security enhancement. (C)

All information submitted or provided to the Company will remain confidential and be used solely for the purpose of evaluating the financial fitness or creditworthiness of the NGS. The amount of the security enhancement may be reviewed and modified based on the criteria established at 52 Pa. code §§ 62.102 - 62.114. (C)

RULES AND REGULATIONS - (Continued)

11.20 Acceptable Business Practices

(C)

In addition to the creditworthiness criteria Pool Administrators must also adhere to the following business practices.

(a) The bills rendered by the Pool Administrator will be clear and in plain language and shall meet the billing information requirements of Chapter 56 of the Commission's regulations. Bills rendered by a Pool Administrator shall contain a statement directing the ratepayer to "register any question or complaint about the bill prior to the due date", as directed by Commission regulations and shall contain the Company's and the Pool Administrator's telephone numbers where the customer may initiate an inquiry or complaint. Bills must also include the phone number of the Commission's customer hot line.

(b) Pool Administrators shall provide customers with minimum payment periods required by the Commission's regulations; i.e. residential customers shall have 20 days to pay and commercial customers shall have 15 days. The Pool Administrator shall notify the customer with adequate notice of the consequences of failure to pay.

(c) Pool Administrators must establish and use customer complaint procedures and respond to complaints in a timely fashion.

RULES AND REGULATIONS - (Continued)

11.20 Acceptable Business Practices (Cont)

(C)

(d) If a Pool Administrator determines to terminate gas supply service to any customer, the Pool Administrator shall give 25 working days' notice of its intention in this regard to the Company and the customer. If the customer is a Priority 1 customer, the Pool Administrator will relinquish any capacity assigned to the Pool Administrator on the customer's behalf. If the Pool Administrator proposes to terminate a Priority 1 customer during the heating season (December 1 through March 31), and the capacity assigned is insufficient to meet the customer's requirements, then the Pool Administrator may be required to serve the customer until the end of the heating season.

(e) Pool administrators will follow the Commission's Customer Information and Disclosure Guidelines for requirements related to NGS disclosure of the terms of service, marketing, advertising and sales practices, and privacy of customer information.

(f) Pool administrators will follow the Commission's standards of credit determination, deposits, initiation and disconnection of service in accordance with the Commission's currently effective Guidelines for Maintaining Customer Service.

11.21 BTU Conversion Factor

For the purposes of determining monthly and daily imbalances of a delivery service pool, the Company will use the BTU conversion factor utilized in the Company's most recent Section 1307(f) proceeding.

11.22 Consumption Information

(C)

Individual customer consumption data, including actual or estimated meter readings, shall be provided electronically as meters are read during the month.

11.23 Dispute Resolution

The Company will work in good faith to resolve disputes with Pool Administrators within 90 days. Disputes will be resolved according to Commission procedures.

11.24 Standards of Conduct

Equitable Gas Company and all Natural Gas Suppliers operating on its system will comply with the following requirements.

1) Equitable shall apply its tariffs in a nondiscriminatory manner to its affiliated natural gas supplier and any nonaffiliated natural gas supplier.

2) Equitable shall not apply a tariff provision in any manner that would give its affiliated natural gas supplier an unreasonable preference over other natural gas suppliers with regard to matters such as scheduling, balancing, transportation, storage, curtailment, capacity release and assignment, or non-delivery, and all other services provided to its affiliated natural gas supplier.

3) Mandatory tariff provisions shall not be waived by Equitable for any natural gas suppliers absent prior approval of the Commission.

RULES AND REGULATIONS - (Continued)11.24 Standards of Conduct (continued)

(C)

4) If a tariff provision is not mandatory or provides for waivers, Equitable shall grant the waivers without preference to its affiliated natural gas supplier or non-affiliated natural gas supplier.

5) Equitable shall maintain a chronological log of tariff provisions for which it has granted waivers. Entries shall include the name of the party receiving the waiver, the date and time of the request, the specific tariff provision waived and the reason for the waiver. The chronological log shall be open for public inspection during normal business hours.

6) Equitable shall process requests for distribution services promptly and in a nondiscriminatory fashion with respect to other requests received in the same or a similar period. Equitable shall maintain a chronological log showing the processing of requests for transportation services. The chronological log shall be open for public inspection during normal business hours.

7) If Equitable provides a distribution service discount, fee waiver or rebate to its favored customers, or to the favored customers of its affiliated natural gas supplier, Equitable shall offer the same distribution service discount, fee waiver or rebate to other similarly situated customers. Offers shall not be tied to any unrelated service, incentive or offer on behalf of either Equitable or its affiliated natural gas supplier. A chronological log shall be maintained showing the date, party, time and rationale for the action. The chronological log shall be open for public inspection during normal business hours.

8) Subject to customer privacy or confidentiality constraints, Equitable shall not disclose, directly or indirectly, any customer proprietary information to its affiliated natural gas supplier unless authorized by the customer. To the extent that Equitable does disclose customer information without customer authorization, it shall contemporaneously provide this same information to other similarly situated natural gas suppliers in a similar fashion so as not to selectively disclose, delay disclosure, or give itself or its affiliated natural gas supplier any advantage related to the disclosure.

A chronological log shall be maintained showing the date, time and rationale for the disclosure. The chronological log shall be open for public inspection during normal business hours.

9) Equitable shall justly and reasonably allocate to its affiliated natural gas supplier the costs or expenses for general administration or support services provided to its affiliated natural gas supplier.

RULES AND REGULATIONS - (Continued)11.24 Standards of Conduct (continued)

(C)

10) Equitable shall not condition or tie the provision of any product, service or price agreement by Equitable (including release of interstate pipeline capacity) to the provision of any product or service by its affiliated natural gas supplier.

11) Equitable shall not give its affiliated natural gas supplier preference over a non-affiliated natural gas supplier in the provision of goods and services including processing requests for information, complaints and responses to service interruptions. Natural gas distribution companies shall provide comparable treatment in its provision of such goods and services without regard to a customer's chosen natural gas supplier.

12) Equitable and its affiliated natural gas supplier shall maintain separate books and records. Further, transactions between Equitable and its affiliated natural gas supplier shall not involve cross-subsidies. Any shared facilities shall be fully and transparently allocated between the Equitable function and the affiliated natural gas supplier function. Equitable accounts and records shall be maintained such that the costs incurred on behalf of an affiliated natural gas supplier may be clearly identified.

13) Equitable employees who have responsibility for operating the distribution system, including natural gas delivery or billing and metering, shall not be shared with an affiliated natural gas supplier, and their offices shall be physically separated from the office(s) used by those working for the affiliated natural gas supplier. Such Equitable employees may transfer to an affiliated natural gas supplier provided such transfer is not used as a means to circumvent these interim standards of conduct.

14) Neither Equitable nor its affiliated natural gas supplier shall directly or by implication, falsely and unfairly represent to any customer, natural gas supplier or third party that an advantage may accrue to any party through use of Equitable's affiliates or subsidiary, such as:

- That the Commission regulated services provided by Equitable are of a superior quality when services are purchased from its affiliated natural gas supplier; or
- That the merchant services (for natural gas) are being provided by Equitable when they are in fact being provided by an affiliated natural gas supplier;
- That the natural gas purchased from a non-affiliated natural gas supplier may not be reliably delivered;
- That natural gas must be purchased from an affiliated natural gas supplier to receive Commission regulated services.

RULES AND REGULATIONS - (Continued)11.24 Standards of Conduct (continued)

(C)

15) When an affiliated natural gas supplier markets or communicates to the public using the Equitable name or logo, it shall include a legible disclaimer that states:

- That the affiliated natural gas supplier is not the same company as Equitable;
- That the prices of the affiliated natural gas supplier are not regulated by the Pa PUC; and
- That a customer does not have to buy natural gas or other products from the affiliated natural gas supplier in order to receive the same quality service from Equitable.

When an affiliated natural gas supplier advertises or communicates verbally through radio or television to the public using Equitable's name or logo, the affiliated natural gas supplier shall include at the conclusion of any such communication a legible disclaimer that includes all of the disclaimers listed in this paragraph.

16) Except in competitive bid situations Equitable shall not (a) jointly market or jointly package its Commission regulated services with the services of an affiliated natural gas supplier or (b) offer or provide to its affiliated natural gas supplier products or services, including bill inserts in its bills promoting an affiliated natural gas supplier's services or a link from Equitable's web-site, unless Equitable offers or provides the products or service to all non-affiliated natural gas supplier on the same terms and conditions.

17) Equitable shall not offer or sell natural gas commodity or capacity to its affiliated natural gas supplier without simultaneously posting the offering electronically on a source generally available to the market or otherwise making a sufficient offer to the market. Equitable shall maintain a chronological log of these public disseminations. The chronological log shall be open for public inspection during normal business hours.

18) Equitable shall keep a chronological log of any complaints, excepting paragraph (9), regarding discriminatory treatment of natural gas suppliers. This chronological log shall include the date and nature of the complaint and the resolution of the complaint. The chronological log shall be open for inspection during normal business hours.

RULES AND REGULATIONS - (Continued)11.24 Standards of Conduct (continued)

(C)

19) **Dispute Resolution Procedures:** The following procedures are established for dealing with any alleged violation of these Standards of Conduct, with the exception of paragraph 9 which is within the exclusive purview of the Commission. The Commission may grant any exception to these requirements if warranted by the fact and circumstances:

- In any dispute between a natural gas supplier, and/or an affiliated natural gas supplier, and a non-affiliated natural gas supplier alleging a violation of any of these Standards of Conduct provisions, the natural gas supplier must provide Equitable and/or affiliated natural gas supplier, as applicable, a written Notice of Dispute that includes the names of the Parties and Customer(s), if any, involved and a brief description of the matters in dispute.
- Within five (5) days of Equitable's and/or affiliated natural gas supplier's receipt of a Notice of Dispute, a designated senior representative of each of the Parties shall attempt to resolve the dispute on an informal basis.
- In the event the designated representatives are unable to resolve the dispute by mutual agreement within thirty (30) days of said referral, the dispute shall be referred for mediation through the Commission's Office of Administrative Law Judge. A party may request mediation prior to that time if it appears that informal resolution is not productive.
- If mediation is not successful, then the matter shall be converted to a formal proceeding before a Commission Administrative Law Judge.
- Any Party may file a complaint concerning the dispute with the Commission under relevant provisions of the Public Utility Code.
- Parties alleging violations of these standards may pursue their allegations through the Commission's established complaint procedures. A complainant bears the burden of proof consistent with 66 Pa. C.S. §332 (relating to Public Utility Code) in regard to the allegations and may impose penalties for such violations pursuant to 66 Pa.C.S. § 3301.

(20) Equitable and its affiliated natural gas supplier shall formally adopt and implement these provisions as company policy and shall take appropriate steps to train and instruct its employees in their content and application.

RULES AND REGULATIONS - (Continued)11.25 Privacy of Customer Information

Neither Equitable nor any Pool Administrator may release private customer information to a third party if the customer requests to restrict the release of private information.

(C)

Customers may restrict the release of customer information by returning a signed form, orally or electronically consistent with Commission guidelines on Eligible Customer Lists.

(C)

A customer may restrict only the customer's historical billing data or may restrict the release of all private customer information including name, billing address, service address, rate class, rate sub class, account number and historical billing data.

Customer telephone numbers may not be released to third parties under any circumstances.

(C)

11.26 Partial Payments

If the Company is providing a consolidated billing service on behalf of a third party NGS that is not participating in the POR program, the Company will apply partial payments in accordance with the Commission's currently effective Guidelines for Maintaining Customer Service.

(C)

11.27 Customer Complaints with Natural Gas Suppliers

Customer complaints related to any services provided by a Third Party Natural Gas Supplier will be referred to the Natural Gas Supplier for resolution. The Company will track each complaint and will refer customers not satisfied by the actions taken or lack of actions taken by the Natural Gas Supplier to the Bureau of Consumer Services.

(C)

(C)

11.28 Purchase of Receivables (POR)

A Pool Administrator may elect to sell its accounts receivable to the Company. An agreement for Consolidated Billing Service and POR must be executed between the Company and Pool Administrator and be consistent with the following requirements, among others:

(C)

1. POR service is available to Pool Administrators providing service to Priority 1 customers as defined in Rule 7.1 of the Rules and Regulations of this tariff and small commercial customers (annual consumption less than 300 Mcf).
2. If elected by a Pool Administrator, all eligible customers served by a Pool Administrator, must participate in the POR program. (Refer to Availability under Rate FPS and Rate GPS.)

(C)

RULES AND REGULATIONS - (Continued)11.28 Purchase of Receivables (POR) - (Continued)

- (C)
3. A Pool Administrator may opt in, or out of the POR program on an annual basis only.
 4. Only basic gas supply service is eligible for participation in the Company's POR program. Basic service is service necessary for the physical delivery of natural gas to a retail customer, consisting of natural gas distribution services and natural gas supply services. Products and services sold in relation to, or in addition to, basic service will not be included.
 5. The Company shall purchase receivables at a discount rate determined in accordance with PUC Rules and Regulations. The discount rate for residential customer receivables is 1.5492%. The discount rate for commercial and industrial customer receivables is 0.5304%. The Company shall have the right to review and adjust the discount rate on a monthly basis to reflect the actual mix of customers served by the Pool Operator. (C)
 6. The Pool Administrator must accept all non-CAP customers whose accounts will be included in the POR program without performing a credit check or requiring an additional security deposit from the customer.
 7. The Company may terminate service for the full amount of the basic natural gas supply charges purchased under the POR program in accordance with the service termination provisions of Chapter 14 of the Public Utility Code and Chapter 56 of the Commission's regulations. The Pool Administrator must inform customers directly of this policy.
 8. At the time of selection by a Pool Administrator to participate in a POR program, the Company will notify customers that service may be terminated for failure to pay basic natural gas supply charges purchased under the POR program by a separate bill insert. The enrollment letter issued by the Company will also inform customers that service may be terminated for failure to pay basic supply service charges.

(C)

RATE RS - RESIDENTIAL SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available at one location for the total gas requirements of any residential customer account.

RATE

The monthly charge for each customer served at each location under this rate schedule and in accordance with Rider A Purchased Gas Costs, shall be the following:

Monthly Service Charge:	\$13.25 per meter	
Natural Gas Supply Charge:	\$3.7852 per Mcf	(I)
Natural Gas Delivery Charge:	\$3.1097 per Mcf	(D)

LATE PAYMENT CHARGE

If payment of bill has not been received within twenty days from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Rider D Universal Service and Energy Conservation (except for customers enrolled in CAP and Pilot E-CAP), Rider E Distribution System Improvement Charge, Rider F Merchant Function Charge, Rider G Gas Procurement Charge, Rider Supplier Choice and state tax adjustment surcharge also apply to this rate.

(D) Indicates Decrease.

(I) Indicates Increase.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

SPECIAL PROVISION

Temporary service for new construction transferred from a builder or developer to an owner is not subject to Standby Service requirements. (C)

(C) Indicates Change.

RATE GSS - GENERAL SERVICE SMALL

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of a commercial or industrial customer who the Company estimates will use 1,000 MCF or less in a twelve month period at that service location. The Company, at its sole discretion, may allow for the aggregation of volumes to qualify for a defined Delivery rate. In these cases, the monthly charge applicable will be based on the volume delivered via each meter.

RATE

The monthly charge for each customer served at each location under this rate schedule and in accordance with Rider A Purchased Gas Costs, shall be the following:

Monthly Service Charge:

Annual Throughput < 500	\$17.00 per meter
Annual Throughput 500 - 1,000	\$28.00 per meter

Natural Gas Supply Charge: \$3.7852 per Mcf

Natural Gas Delivery Charge: \$2.5320 per Mcf

(I)

(D)

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Rider E Distribution System Improvement Charge, Rider F Merchant Function Charge, Rider G Gas Procurement Charge, Rider Supplier Choice and state tax adjustment surcharge also apply to this rate.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

SPECIAL PROVISION

Temporary service for new construction transferred from a builder or developer to an owner is not subject to Standby Service requirements.

(D) Indicates Decrease.

(I) Indicates Increase.

RATE GSL - GENERAL SERVICE LARGE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of an industrial or commercial customer who the Company estimates will use more than 1,000 Mcf in a twelve month period at that service location. The Company, at its sole discretion, may allow for the aggregation of volumes to qualify for a defined Delivery rate. In these cases, the monthly charge applicable will be based on the volume delivered via each meter.

RATE

The monthly charge for each customer served at each location under this rate schedule and in accordance with Rider A Purchased Gas Cost shall be the following:

Monthly Service Charge:

Annual Throughput 1,001 - 4,999	\$150.00 per meter
Annual Throughput 5,000 - 25,000	\$300.00 per meter
Annual Throughput > 25,000	\$1,600.00 per meter

Natural Gas Supply Charge: \$3.7852 per Mcf (I)

Natural Gas Delivery Charge: \$2.4360 per Mcf (D)

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Rider E Distribution System Improvement Charge, Rider F Merchant Function Charge, Rider G Gas Procurement Charge and state tax adjustment surcharge also apply to this rate.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

(D) Indicates Decrease.

(I) Indicates Increase.

SPECIAL PROVISION

Temporary service for new construction transferred from a builder or
developer to an owner is not subject to Standby Service requirements. (C)

(C) Indicates Change.

RATE GL - GAS LIGHTS

APPLICABILITY

This rate shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for any gas lighting where the gas is not measured by meter.

USAGE

Consumption per light will be assumed at:

Residential	1.8 Mcf/Month
Commercial and Industrial	2.8 Mcf/Month

These volumes will be billed monthly under the customer's otherwise applicable rate schedule.

SURCHARGES AND RIDERS

Customers served under this rate schedule are subject to Rider E Distribution System Improvement Charge (DSIC) except that the DSIC rate may be reduced or eliminated for any customer with competitive alternatives or negotiated contracts.

SPECIAL TERMS AND CONDITIONS

Gas will be supplied only to lamps furnished, erected, and maintained by the customer and equipped with devices satisfactory to the Company. Consumption and billing will be assumed to be continuous until customer notifies Company that gas light(s) has been permanently shut off and Company verifies to its satisfaction that service has been disconnected. Company may require gas lights to be metered except in instances where it is not economically feasible or is otherwise impractical, to be determined solely at the discretion of the Company.

RATE FDS - FIRM DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Service under this rate schedule is available for resale service and to any Priority-one customer as defined in Rule 7.1 of the Rules and Regulations of this tariff where the customer's full commodity requirements are supplied through a single aggregation pool pursuant to the Company's Firm Pooling Service (FPS).

RATE

The applicable rate for each district shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Residential	\$ 13.25 per meter
Commercial and Industrial:	
Annual Throughput < 500	\$ 17.00 per meter
Annual Throughput 500 - 1,000	\$ 28.00 per meter
Annual Throughput 1,001 - 4,999	\$150.00 per meter

Delivery Charge:

Residential Service	\$ 3.1687 per Mcf
Small Commercial, Industrial and Resale	\$ 2.5910 per Mcf
Large Commercial and Industrial	\$ 2.4950 per Mcf

Capacity Charge:

Pursuant to Special Provision (a):	\$ 1.0789 per Mcf	(I)
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MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(I) Indicates Increase.

RATE FDS - FIRM DELIVERY SERVICE (CONTINUED)

RULES AND REGULATIONS

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff. Customers served under this rate schedule are subject to all applicable surcharges and riders including:

(C)

Distribution System Improvement Charge Rider E

Residential:

Universal Service and Energy Conservation Rider D

Merchant Function Charge Rider F

LATE PAYMENT CHARGE

If payment of bill has not been received within twenty days for Residential and within fifteen days for Commercial and Industrial from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

(C) Indicates Change.

RATE GDS - GENERAL DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Delivery service under this rate schedule is available for resale service and to commercial and industrial customers who do not qualify for or elect service under Rate FDS and whose full commodity requirements are supplied through a single aggregation pool pursuant to the Company General Pooling Service (GPS) or directly by the supplier as a stand-alone customer. A customer who uses more than 5,000 Mcf annually is not required to receive supply through the Company's General Pooling Service

RATE

The applicable rate for each district may be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Commercial and Industrial:

Annual Throughput < 500	\$ 17.00 per meter
Annual Throughput 500 - 1,000	\$ 28.00 per meter
Annual Throughput 1,001 - 4,999	\$150.00 per meter
Annual Throughput 5,000 - 25,000	\$300.00 per meter
Annual Throughput > 25,000	\$1,600.00 per meter

Delivery Charge:

Small Commercial, Industrial and Resale	\$ 2.591 per Mcf
Large Commercial and Industrial	\$ 2.495 per Mcf

Balancing Charge:

Pursuant to Special Provision (b)		
Annual Throughput < 25,000	\$0.4062 per Mcf	(I)
Annual Throughput > 25,000	\$0.0886 per Mcf	(I)

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(I) Indicates Increase.

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

SPECIAL PROVISIONS

(a) Customers will be allowed to transfer to or from this rate schedule only if: (1) the Company can obtain any increase or decrease in its gas supplies, transportation capacity and storage capacity or any combination thereof required to accommodate such transfer; or (2) the Company, in its sole judgment concludes that no increase or decrease is required.

(b) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options. The Company will provide a credit to Rider A gas costs associated with the balancing charge revenues collected from transportation customers. The balancing charge rate will be adjusted each year in conjunction with the Company's 1307(f) filing.

(C)

(c) This service is interruptible, however, customers may elect to take an assignment of capacity or purchase Standby Service from the Company.

Monthly Balancing Provisions

All delivery service customers served under this rate schedule not included in a Pool Administrator's Aggregation pool under Rate GPS, shall be subject to the following monthly balancing provisions.

(1) A monthly imbalance will exist when (a) a customer's consumption in a month falls short of the gas supply available for the customer's use in a month (monthly supply excess) or (b) a customer consumes more gas than the gas supply available for the customer's use in a month (monthly supply shortfall).

(2) A monthly supply excess equal to, or less than, three and one-half percent (3.5%) of the customer's consumption for a month shall be purchased by the Company at a price equal to eighty-five percent (85%) of the midpoint price for the month in which the excess occurred as published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point.

(3) A monthly supply shortfall equal to, or less than, three and one-half percent (3.5%) of the customer's consumption for a month shall be sold by the Company at a price equal to one hundred fifteen (115%) of the midpoint price for the month in which the shortfall occurred as published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point.

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

(5) All rates set forth in this rate schedule that are billed on a volumetric per Mcf basis may be billed using cycled metered volumes, either actual or estimated. Cash-in and Cash-out prices cover only gas supply costs as defined herein.

Rules and Regulations

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff.

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Distribution System Improvement Charge Rider E

(C)

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

(C) Indicates Change.

RATE DDS - DAILY DELIVERY SERVICE

AVAILABILITY

Delivery service under this rate schedule is available for resale service and to any commercial or industrial customer with annual usage in excess of 5,000 Mcf who:

- (1) has entered into a written contract with the Company for service under this rate schedule for a minimum of 12 months; and
- (2) has the ability to withstand interruption and satisfy periodic interruption tests conducted by the Company; or has installed, operable alternative fuel equipment capable of meeting the customer's peak day requirements; or pays for the cost of, installation of and monthly expenses associated with a Remotely Actuated Valve, which can interrupt gas flow without a site visit by the Company.

CHARACTER OF SERVICE

Service will be provided by the Company based on the Company having available capacity and the customer delivering suitable gas into the Company's distribution system. Gas transported by the Company shall be and remain the property of the customer.

MEASUREMENT OF DELIVERIES

All customers electing service under this rate schedule must pay for and maintain a dedicated telephone line installed to the meter, communication system costs, and all equipment, including installation, deemed necessary by the Company to administer daily balancing by providing all delivery points specified in the contract with real-time electronic gas measurement. The cost to the customer shall be set forth in the service agreement and may be assessed in equal monthly payments over the term of the agreement plus interest equal to the Company's overall rate of return as authorized by the Commission.

RATE DDS- DAILY DELIVERY SERVICE (CONTINUED)

RATE

The applicable rate shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Commercial and Industrial:

Annual Throughput 5,000 - 25,000	\$300.00 per meter
Annual Throughput > 25,000	\$1,600.00 per meter

Delivery Charge:

Resale Service	\$ 2.711 per Mcf
Large Commercial and Industrial	\$ 2.600 per Mcf

Balancing Charge:

Pursuant to Special Provision (a)

Annual Throughput < 25,000	\$0.4062 per Mcf	(I)
Annual Throughput > 25,000	\$0.0886 per Mcf	(I)

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Distribution System Improvement Charge Rider E

SPECIAL PROVISIONS

(a) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options. The Company will provide a credit to Rider A gas costs associated with the capacity utilized to provide balancing services to transportation customers. The balancing charge rate will be adjusted each year in conjunction with the Company's 1307(f) filing.

BALANCING PROVISIONS

Daily Balancing

A daily imbalance will exist when (a) a customer's consumption in a day falls short of the daily gas supply nominated (daily supply excess), or (b) a customer's consumption in a day exceeds the daily supply nominated (daily supply shortfall).

- (1) A Daily Supply Tolerance equal to 3.5% of the customer's contracted Maximum Daily Quantity will be permitted without penalty.
- (2) A daily supply excess greater than the Daily Supply Tolerance will be Cashed-In at 85% of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the excess occurs.

(I) Indicates Increase.

RATE DDS- DAILY DELIVERY SERVICE (CONTINUED)

- (3) A daily supply shortfall greater than Daily Supply Tolerance will be Cashed-Out at 115% of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the shortfall occurs. (C)
- (4) A daily supply excess less than the Daily Supply Tolerance will be considered first gas through the meter on the following day and will be added to gas delivered on that day to determine daily imbalances. (C)
- (5) A daily supply shortfall less than the Daily Supply Tolerance will be subtracted from gas delivered the following day to arrive at the amount of gas to be used to determine daily imbalances. (C)

OPERATIONAL MATCHING ORDERS (OMO)

All DDS customers are subject to the Company's issuance of OMOs which will direct the customer to adjust usage to match volumes authorized by the Company. Failure to comply with an OMO will result in the billing of the following charges when the actual daily usage exceeds the daily flowing volume:

- 1) Ten dollars (\$10.00) per Mcf on the difference.
- 2) The difference will be Cashed-Out at 150% of the sum of the highest price gas purchased by the Company, on the day the shortfall occurs, plus the applicable transportation and retainage charges to transport the gas from the supply area to the Company's city gate.
- 3) A pro-rata share of any other charges incurred by the Company as a result of the customer's noncompliance with the OMO.

If a customer fails to comply with an OMO the Company reserves the right to suspend, for one year, the customer's right to subscribe to a delivery service or require the customer to purchase Standby Service.

RATE FPS - FIRM POOLING SERVICE

TERMS AND CONDITIONS

1. AVAILABILITY

Service under this rate schedule is available to any Pool Operator who demonstrates to the Company's satisfaction that it has met the creditworthiness and fitness standards defined in the Rules and Regulations of this tariff, and who has entered into a Firm Pooling Service Agreement with the Company. Unless otherwise agreed to by the Company, a Pool Operator that operates a FPS and a GPS pool must serve its Priority-One customers, as defined in Rule 7.1 of the Rules and Regulations of this tariff, in its FPS pool and serve its non-priority one customers in its GPS pool.

(C)

(C)

2. TYPE OF SERVICE

This is a customer aggregation service whereby a creditworthy third party, the Pool Administrator, takes assignment on behalf of a FDS customer of the customer's nomination and balancing responsibilities and, under separate contractual agreement with the Company, aggregates the customer's gas deliveries and consumption with those of other FDS customers for the purposes of calculating imbalances on the Company's system.

3. SERVICE CONDITIONS

3.1 Assignment of Capacity & Other Gas SuppliesAssignment of Upstream Capacity

(C)

The Company will assign the following upstream firm pipeline capacity to the Pool Administrator: firm transportation and storage on the Company's upstream transportation pipeline, Dominion Transmission Inc.; firm transportation on Equitrans L.P. ("Equitrans"); and storage related firm transportation on Equitrans; and any other pipeline capacity that may be available to the Company. Capacity will be assigned on behalf of each customer of the Pool Administrator's FPS Pool based on the Company's determination of peak design day consumption of the customer.

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

The Pool Administrator will be assigned firm transportation and firm storage capacity on a pro-rata basis. However, the Pool Administrator may elect, subject to the Company's approval, assignment on a non-discriminatory basis of other than a pro-rata allocation.

(C)

(C) Indicates Change.

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

(C)

Effective April 1, 2015, Capacity assignments will be structured as a zerocost release of capacity. The term of any release will commence the first day of customer's service month as determined pursuant to the customer sign-up procedures set forth in Rule 11.1 and will continue for the earlier of the annual review period (April 1), through the termination date of the current pipeline contract, or, in the event of early termination of the Pool Administrator's 12 month service agreement with the customer, through the last day of the calendar month in which the Pool Administrator ceases service to the customer on whose behalf the capacity had been assigned.

Any capacity acquired by Pool Administrator through non-renewal of capacity contracts by the Company must be assignable to Equitable or another pool administrator qualified by the Company to operate under this rate schedule. If the Pool Administrator had used capacity not assigned by the Company then the Pool Administrator agrees to reassign that capacity, including any gas held in storage, to the Company or another pool administrator, which those parties may, at their sole discretion, accept or reject.

Once storage capacity is assigned, the Pool Administrator is responsible for meeting all injection and withdrawal schedules required by the storage operator. If storage capacity is (a) assigned to a Pool Administrator, (b) returned by a Pool Administrator upon cessation of service to a customer, or (c) recalled from a Pool Administrator, with gas in place (i.e., with gas in storage) then the Company shall, as the case may be, either sell to the Pool Administrator gas in place at the Company's weighted average cost of storage gas ("Storage WACOG"), or purchase from the Pool Administrator gas in place at the lesser of the Company's Storage WACOG or at the Company's weighted average cost of gas purchased during the month.

Assignment of Other Supplies

(C)

The Company reserves the right to assign or sell other gas supplies that are under contract with the Company and used to satisfy its supplier of last resort obligation. To the extent that a FPS supplier receives an assignment of the Company's capacity it holds on Equitrans; the Company shall provide FPS suppliers with an option to purchase from the Company a pro-rata share of the firm gas supplies available to the Company under its gas supply agreement with EQT Energy, LLC. Such purchase shall also occur if the Company determines that, as a result of the migration from supply service provided by the Company to supply service provided by FPS suppliers, the amount of gas supplies under long term firm purchase contracts are in excess of the usage requirements of supplier of last resort ratepayers currently served by the Company.

Such gas shall be sold to the NGS as agent for the ratepayer of the NGS's Firm Pool. The sale shall be structured at the actual purchase cost of the supplies associated with firm purchase contracts.

(C) Indicates Change.

Supplies sold under this section shall be discontinued by the Company
under the following conditions:

(C)

1. The ratepayer on whose behalf the supplies have been sold is no longer served by the NGS; or
2. The NGS has failed to comply with terms and conditions set forth herein.

(C) Indicates Change.

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

3.2 Monthly Capacity Assignment

Each month, the Company will assign capacity to each qualified Pool Administrator, on behalf of the FDS customers aggregated and signed-up, in accordance with the provisions contained in Rule 11.1 and Section 3.1, above, by the Pool Administrator during the preceding month. The amount of capacity to be assigned will be based on the peak design day consumption of the end use customers served by the Pool Administrator. The Company will evaluate the capacity assignments made to the Pool Administrator on behalf of the FDS customer monthly. To the extent that the evaluation so indicates the Company may revise the Pool Administrator's capacity assignment level.

(C)

(C)

3.3 Adding and Subtracting Customers

A Pool Administrator may add or remove customers monthly provided that a notice is received pursuant to Rule 11.1. The Pool Administrator's service to the customer will start or stop effective with the second bill issued following the date such additions, changes or deletions are submitted by the Pool Operator.

(C)

(C)

3.4 Contract Duration

The Pool Administrator's Firm Pooling Service contract with the Company shall be for a term of service of no less than twelve months. Notwithstanding any contract duration provision contained in a service agreement between the customer and the Pool Administrator, the Company may process any customer request to return to retail service or to transfer to a pool maintained by another pool administrator, and the Company assumes no liability for such action.

(C)

3.5 Load Forecasting

The Company will provide a daily projection of the amount of gas to be delivered to the Company to satisfy the estimated daily consumption of all the ratepayers in the pool. The Company will forecast the daily gas requirements of the Pool Administrator's FPS Pool and post those requirements electronically not later than two days prior to the Gas Day. The Company may revise the forecasted daily gas requirements not later than 24 hours prior to the Gas Day. The Company may issue OFOs consistent with the terms of this tariff and, as a result, may provide the Pool Operator with daily projections less than two days in advance.

(C)

(C)

(C)

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

3.6 Scheduling of Service

All transportation volumes received for Pool Administrator's account at transportation receipt points must be nominated to the Company in advance. Nominations must distinguish among (1) upstream pipeline firm transportation service assigned to the Pool Administrator and (2) contract storage assigned to the Pool Administrator.

3.7 Daily Gas Deliveries

The Pool Administrator must acquire an adequate supply of natural gas of a quality acceptable to the Company, including allowances for any retention required by upstream pipelines and the Company, and make, or cause to be made, arrangements by which such gas supply can be transported directly to the Company's city-gates. The Pool Administrator is required to deliver gas supplies to meet its estimated daily consumption. (C)

Any difference between the estimated daily consumption and the gas delivered and confirmed that day on behalf of the Pool Administrator's account, plus pool-to-pool transfers, shall be Cashed-in or Cashed-out based on the following index. (C)

Daily Index Price: Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point. (C)

Daily Supply Excess: All volumes delivered in excess of the estimated daily consumption (a daily supply excess) will be subject to the following: (C)

- (1) A daily supply excess will be cashed-in at 85% of the midpoint Daily Index Price.
- (2) A daily supply excess will be Cashed-in at 85% of the midpoint price gas purchased by the Company on the day the excess occurs. (C)

Daily Supply Shortfall: All volumes delivered below the estimated daily consumption (a daily supply shortfall) will be subject to the following: (C)

- (1) A daily supply shortfall will be cashed-out at 115% of the midpoint Daily Index Price. (C)
- (2) A daily supply shortfall will be Cashed-out at 125% of the midpoint price of gas on the day the shortfall occurs. (C)

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

If the Pool Administrator fails to deliver quantities equal to the estimated daily consumption, the Company reserves the right, at its sole discretion, to recall or otherwise withdraw capacity rights assigned to the Pool Administrator upon a five (5) days written notice and terminate the Firm Pooling Service contract upon ten (10) days written notice to the Pool Administrator.

(C)

(C)

All customers receiving gas supply from a suspended Pool Administrator's pool must choose one of the following options: (1) return to an applicable sales service under this Tariff or (2) join another pool that is not affiliated with the suspended Pool Administrator.

3.8 Reconciliation of Monthly Volumes

The difference between projected monthly consumption volumes and actual calendar month pool consumption as adjusted for net unbilled volumes and any prior month billing corrections, shall be reconciled monthly. The cumulative difference shall be reconciled in the first full calendar month following its determination by adjusting the Pool Administrator's projected daily consumption volume on each day in the adjustment month by an amount equal to the cumulative difference divided by the number of days in the adjustment month or by other methods as made available by the Company including, but not limited to, selling or purchasing additional supplies, transferring gas in storage, or pool-to-pool transfer.

(C)

(C)

(C)

Section 3.9 Supplier Exiting System

(C)

Prior to exiting the Company's system a Pool Administrator must provide 60 days written notice to the Company and its customers. The pool administrator must return or reassign capacity in accordance with Section 3.1 of this rate schedule. If the pool administrator discontinues service or defaults prior to the expiration of its contract with the customer, the Company shall provide service to the customer at the applicable tariff sales rate commencing with the next billing cycle. The customer shall be charged the rate negotiated with the discontinuing or defaulting pool administrator for the remainder of the billing cycle. Any difference between the cost incurred by the Company and the amount payable by the retail gas customer shall be recovered from the pool administrator.

(C)

RATE GPS- GENERAL POOLING SERVICE

1. AVAILABILITY

Service under this rate schedule is available to anyone who aggregates 2 or more customers, who demonstrates to the Company's satisfaction that it has met the creditworthiness and fitness standards defined in the Rules and Regulations of this Tariff, and who has entered into a General Pooling Service Agreement with the Company. Unless otherwise agreed to by the Company, a Pool Operator that operates a FPS and a GPS pool must serve its Priority-One customers, as defined in Rule 7.1 of the Rules and Regulations of this tariff, in its FPS pool and serve its non-priority one customers in its GPS pool. A Pool Operator that does not operate a FPS pool may serve Priority One ratepayers, as defined in Rule 7.1 of the Rules and Regulations of this tariff, through its GPS pool unless the annual aggregate consumption of such customers does not exceed 30,000 MCF annually.

(C)

2. TYPE OF SERVICE

This is a customer aggregation service whereby a creditworthy third party, the Pool Administrator, takes assignment on behalf of a GDS customer of the customer's nomination and balancing responsibilities and, under separate contractual agreement with the Company, aggregates the customer's gas deliveries and consumption with those of other GDS customers for the purposes of calculating imbalances on the Company's system.

3. SERVICE CONDITIONS

3.1 Scheduling of Service

All transportation volumes received for Pool Administrator's account at transportation receipt points will be nominated to the Company in advance. Subject to permitted inter-pool transfers, each end use customer of the Pool Administrator's GPS Pool must have all of its natural gas consumption over the entire Customer billing cycle supplied by Pool volumes nominated by the Pool Administrator.

3.2 Daily Gas Deliveries and Balancing

The Pool Administrator shall pay all applicable penalties that are set forth in the Company's tariff. The Company will provide a daily projection of the amount of gas to be delivered to the Company to satisfy the consumption of customers served by the pool. This projection will be based on the estimated monthly usage of the customers served by the pool divided by the number of days in the month. For the purposes of determining daily imbalances of the transportation pool, the Company will use the BTU conversion factor utilized in the Company's most recent 1307(f) proceeding. All transportation pools served under this Rate Schedule shall be subject to the following daily balancing provisions.

(C)

(C)

(1) A daily imbalance will exist when a difference exists between the total daily projected consumption volume and the daily available supply volumes, during periods in which no OFOs have been issued.

(C)

RATE GPS- GENERAL POOLING SERVICE (CONTINUED)

3.2 Daily Gas Deliveries and Balancing (Continued)

(2) Any daily excess or shortfall in a Pool's gas supply shall be purchased by the Company from the Pool Administrator (Cash-In) or purchased by the Pool Administrator from the Company (Cash-Out) at the following prices:

(a) Cash-In Price: The price paid by the Company for a Pool Administrator's supply excess shall be equal to eighty-five percent (85%) of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the excess occurs.

(b) Cash-Out Price: The price paid by the Pool Administrator to satisfy its supply shortfall shall be equal to one hundred fifteen percent (115%) of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the shortfall occurs.

3.3 Reconciliation of Monthly Volumes

The difference between projected monthly consumption supply and actual calendar month pool consumption as adjusted for net unbilled volumes and any prior month billing corrections, shall be reconciled monthly. The difference shall be reconciled in the next calendar month following its determination by adjusting the Pool Administrator's projected daily consumption volume on each day in the adjustment month by an amount equal to the cumulative difference divided by the number of days in the adjustment month or by other methods as made available by the Company including, but not limited to, selling or purchasing additional supplies, transferring gas in storage, or pool-to-pool transfer.

3.4 Nominations and Reconciliation of Local Gas Volumes

No later than five days prior to the end of each month, the Company will set a Gross Production Projection (GPP) nomination for the following month. The initial GPP nomination shall be based on recent available production data but may be subject to adjustment by the Company to reflect known and anticipated production changes provided by the Pool Operator. The confirmed volumes will be used for reconciling local gas nominations and actual production. Confirmed GPP nominations will be credited to the Pool Operator's account on the date specified in the Pool Operator's nomination. When actual local gas volumes delivered to the Company are known, any discrepancies between actual and nominated local gas volumes will be reconciled in the first full calendar month following the determination of actual local gas volumes by adjusting the Pool Operator's monthly available volumes. The volume discrepancy between the actual produced local gas volumes and the nominated local gas volumes will be reconciled in the adjustment month by adjusting the Pool Operator's monthly available volume in the adjustment month by an amount equal to the volumetric discrepancy.

3.5 Contract Duration

The Pool Administrator's General Pooling Service contract with the Company shall be for a term of service of no less than twelve months. Notwithstanding any contract duration provision contained in a service agreement between the customer and the Pool Administrator, the Company may process any customer request to return to retail service or to transfer to a pool maintained by another pool administrator, and the Company assumes no liability for such action.

RATE GPS- GENERAL POOLING SERVICE (CONTINUED)

4. OTHER

During a calendar month, a Pool Administrator may trade deliveries between pools to assist in mitigating pool imbalances.

RATE LGA - LOCAL GAS AGGREGATION SERVICE

1. Availability

Service under this rate schedule is available to any aggregator who has entered into a Local Gas Aggregation Agreement with the Company and demonstrates to the Company's satisfaction that it has met the Company's creditworthiness standards and bonding requirements.

The locally produced gas nominated out of the Local Gas Aggregation Pool will be balanced monthly with actual production delivered into the Company's system.

2. Points of Receipt

The points of receipt for local gas aggregation shall be those metering stations identified by the Aggregator in its agreement with the Company or any other designated point where gas is delivered into the Company's system. The Aggregator will pay for any investment costs required to receive gas into the Company's system at agreed-upon transportation gas receipt points. The Company will own and maintain each natural gas connection's tapping tee or pipe and valve.

3. Nominations and Reconciliation of Local Gas Volumes

No later than five days prior to the end of each month, the Company will set a Gross Production Projection (GPP) nomination for the following month. The initial GPP nomination shall be based on recent available production data but may be subject to adjustment by the Company to reflect known and anticipated production changes provided (within 2 days) by the aggregator and confirmed by the Company. The confirmed volumes will be used for reconciling local gas nominations and actual production. Confirmed GPP nominations will be credited to the aggregator's account on the date specified in the aggregator's nomination. When actual local gas volumes delivered to the Company are known, any discrepancies between actual and nominated local gas volumes will be reconciled in the first full calendar month following the determination of actual local gas volumes by adjusting the aggregator's monthly available volumes. The volume discrepancy between the actual produced local gas volumes and the nominated local gas volumes will be reconciled in the adjustment month by adjusting the Pool Operator's monthly available volume in the adjustment month by an amount equal to the volumetric discrepancy.

4. Aggregation Balancing

Volumes nominated into a Local Gas Aggregation Pool shall equal the volumes delivered out of the Local Gas Aggregation Pool. Aggregators will not be permitted to deliver more gas out of the pool than is nominated into the pool in any given month. If volumes nominated into a Local Gas Aggregation Pool are greater than volumes delivered out of the Local Gas Aggregation Pool, those volumes shall be sold to the Company at a price using the first of the month IFERC DTI Appalachia Index, multiplied by 85%.

5. Procedures When a Local Gas Aggregator Exits the System

Balancing of local supplies for the exiting aggregator's final month of service shall be performed in accordance with the "Monthly Balancing" provisions under Rate GPS. No imbalance price multipliers will be applied.

STANDBY SERVICE

Firm Standby Service is mandatory for essential human needs customers served under any delivery service except where the customer has Alternate Fuel Capability, or the customer has received an assignment of Company's upstream pipeline capacity. Firm Standby Service is optional for other customers upon request. For a customer who does not receive Firm Standby Service, daily consumption in excess of daily deliveries on customer's behalf, in excess of customer's Maximum Daily Firm Requirement (MDFR) or in excess of a customer's Maximum Daily Quantity (MDQ) is interruptible.

Firm Standby Service is available pursuant to the following terms and conditions and subject to availability of sufficient gas supply and system capacity.

1. Customers who require natural gas service through a single meter of 20,000 Mcf or more annually:

Customers who desire Firm Standby Service must also nominate a MDFR for the entire year. MDFR nominations must be specified in the customer's service agreement.

The MDFR nominations must be at a level which is reasonably sufficient to meet the customer's peak winter season demand. The Company reserves the right to require revisions to nominations which it has determined are insufficient. The Company at its discretion may allow customers to nominate MDFRs which are below anticipated winter season peak demands and in such cases may require separate piping and/or metering to segregate the customer's firm and interruptible loads and may require the customer to reimburse the Company for any cost incurred in making the necessary modifications.

2. Customers who require annual natural gas service through a single meter of less than 20,000 Mcf:

STANDBY SERVICE - (CONTINUED)

Customers receiving Firm Standby Service shall pay a Standby Reservation charge as described below.

Monthly Reservation Charges (charged each month of the year):

Large Volume Customers

Customers who require natural gas service through a single meter for 20,000 Mcf annually or more:

\$10.51 per Mcf of MDFR (I)

Customers who require annual natural gas service of less than 20,000 Mcf:

\$0.73 per Mcf of throughput (I)

The Reservation charges shall be redetermined annually during the course of the Company's 1307(f) proceeding. The Standby rate will be determined to provide a credit to Rider A gas costs associated with the capacity utilized to provide firm standby services to transportation customers. This credit amount shall be credited to Purchased Gas Cost for the purpose of determining the "E" factor.

A customer may discontinue Firm Standby Service, if the Company, in its sole discretion, can obtain any decrease in its transportation and storage entitlements or any combination thereof required to accommodate such transfer from Standby service and the customer provides written notice to the Company at least twelve months prior to the expiration date of the customer's Service Agreement. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options.

(I) Indicates Increase.

STATE TAX ADJUSTMENT SURCHARGE

There shall be added to or subtracted from each gas bill, under tariff rate schedules RS, GSS, GSL, FDS, GDS, DDS, and GL, (0.64)% of the bills as otherwise computed in accordance with the Company's tariff. (I)

The above surcharge will be recomputed, using the elements prescribed by the Commission in accordance with the Commission's State Tax Adjustment Procedure at 52 Pa. Code Section 69.51 et seq.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation. If the recomputed surcharge is less than the one in effect, the Company will, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing. If the recomputed surcharge is more than the one then in effect the Company may submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

(I) Indicates Increase.

RIDER APURCHASED GAS COSTI. Provision for Purchased Gas Cost

The Purchased Gas Cost (PGC) is the rate determined pursuant to Section 1307(f) of the Public Utility Code for recovery of natural gas costs and shall be included in Rate Schedules RS, GSS, and GSL of this Tariff (PGC Rate Schedules) as explained here and after.

II. Computation and Application of Purchased Gas Cost (PGC)

The PGC shall be computed to the nearest one cent (\$0.01) in accordance with the formula set forth below:

$$\text{PGC} = \frac{\text{C} - \text{E}}{\text{S}}$$

The PGC rate shall be redetermined annually and will go into effect Oct 1 of each year. Thereafter, the Company may make quarterly filings on January 1, April 1 and July 1, effective on one day's notice, and upon determination that the effective rate will result in more than a +/- 2% change in the PGC rate.

The quarterly revisions may reflect adjustments to the "C" factor for more current projected commodity costs of purchased gas for the periods remaining until Oct 1 of each year and a reconciliation and adjustment for the over or under collection of natural gas supply costs from the three month period ending one month prior to the quarterly filing date applied to the projected annual Mcf sales of gas in the computation year of the Company's most recent annual proceeding.

The "E" factor may be adjusted for variations in actual volumes of gas compared to the projected volumes of gas based on the Company's most recent annual proceeding.

In addition to the applicable PGC rates as calculated above, an AVC Capacity Charge shall be separately calculated as shown on page 73B.

(C)

III. Definitions

"PGC" -- purchased gas cost determined to the nearest one cent (\$0.01) comprised of a "C" factor and an "E" factor. The C factor is the natural gas supply charge included in the PGC Rate Schedules. The E factor is included in the natural gas delivery charge in the PGC Rate Schedules except for those customers returning from Delivery Service Rate Schedules in accordance with Rider B.

"C-Factor" -- a number of dollars, determined as follows: (a) for all types of "Purchased Gas," project the cost for each purchase (adjusted for net current gas stored) for the computation year plus (b) the arithmetical sum of (1) the projected book value of noncurrent gas at the beginning of the computation year minus (2) the projected book value of noncurrent gas at the end of the computation year. The C factor is C divided by S.

RIDER A - (Continued)

"E-Factor" -- Net over collection or under collection of the cost of purchased gas including interest, for the period beginning with the month following the last month of the historic reconciliation included in the previous PGC and ending with the month preceding the effective date of the new PGC. The E factor is E divided by S.

The "E" factor shall also provide for refund or recovery of amounts necessary to adjust for differences between actual over and under collections and estimated over and under collections included in the "E" factor of the previous PGC.

Interest shall be computed at the appropriate rate as provided for in Section 1307(f) of the Public Utility Code from the month the over or under collection occurs to the effective month such over collection is refunded or such under collection is recouped.

Supplier refunds received applicable to PGC Rate Schedules will be included in the calculation of "E" with interest added at the annual rate of six percentum (6 percent) calculated in accordance with the foregoing procedure beginning with the months such refund is received by the Company.

For the purpose of computing monthly over and undercollections to be reflected in "E" a Standby Service credit, as well as a Balancing credit will be deducted from Purchased Gas Cost.

"S" -- projected Mcf of gas to be billed under PGC Rate Schedules during the computation year.

"Purchased Gas" -- the volume of gas projected to be purchased by the Company and delivered to customers under PGC Rate Schedules, plus such portion of the company-used and unaccounted-for-gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane and naphtha.

"The Current PGC" -- is \$3.7262 per Mcf, comprised of a C factor of \$3.7852 (I), (I) and an E factor of (\$0.0590) and AVC Capacity Charges as shown on page 73B. (D)

"Computation Year" -- the projected year during which the PGC will be in effect.

The application of the purchased gas cost shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the purchased gas cost and the charges included herein.

(D) Indicates Decrease.

(I) Indicates Increase.

RIDER A - (Continued)

If from such audit it shall be determined, by final order entered after notice and hearing, that this clause has been erroneously or improperly utilized, the Company will rectify such error or impropriety, and in accordance with the terms of the order apply credits against future purchased gas adjustments for such revenues as shall have been erroneously or improperly collected. The Commission's order shall be subject to the right of appeal.

(C)

Rider A (Continued)

AVC Capacity Charge

(C)

The AVC Capacity Charge is applicable to all ratepayers with the exceptions defined below under Discounted Rate Customers and relates to the recovery of capacity costs incurred by Peoples Natural Gas Company ("Peoples") for firm transportation and storage service provided on the Equitrans Allegheny Valley Connector ("AVC") system.

The AVC Capacity Charge shall recover fixed demand charges and applicable surcharges assessed to Peoples under the FERC Gas Tariff for firm transportation and storage services on the AVC System. The AVC Capacity Charge shall be adjusted to reflect ongoing changes in charges assessed to Peoples. The AVC Capacity Charge shall not recover fixed demand charges related to storage capacity on the AVC system that is released to and paid for by Rate GDS - General Delivery Service ratepayers or suppliers. Applicable volumetric and fuel charges for service on the AVC System shall not be recovered through the AVC charge and such charges shall be paid for by the shipper utilizing the AVC capacity.

Rates

Refer to page 73B for the currently effective AVC Capacity Charge rates.

These rates will be recalculated on a quarterly basis in conjunction with the other Rider B costs and reported on as applicable in the quarterly and annual filings as required in the regulations implementing Section 1307(f) of the Public Utility Code. The rates shall be calculated by customer class based on the results of the allocation factors set forth below and applicable billing determinants for each class.

Allocation of AVC Capacity Costs

The fixed demand and applicable surcharges assessed to the Company for services on the AVC system shall be allocated to customer classes based on the following factors.

Rider A (Continued)**AVC Capacity Charge**

The AVC Capacity Charges allocation factors and rates are as follows:

Rate and Customer Class	Allocation	Rate
Rate RS and Rate FDS	66.25%	\$0.6141 (D)
Rate GSS and Rate GDS (0 to 999 Mcf/yr)	11.94%	\$0.6263 (I)
Rate GSL and Rate GDS (1,000 to 24,999 Mcf/yr)	12.99%	\$0.4059 (I)
Rate GSL and Rate GDS (greater than 25,000 Mcf/yr)	8.82%	\$0.2031 (D)

The Company will review the appropriateness of the AVC Capacity Charge allocation factors on an annual basis and such factors will be subject to review in the Company's 1307(f) gas cost proceeding.

Annual Reconciliation

The AVC Capacity Charge costs will be subject to over/under collection tracking and reconciled annually.

Discounted Rate Customers

To the extent permitted under the customer's discounted rate contract, the Company will recover AVC charges from such customers.

(D) Indicates Decrease.

(I) Indicates Increase.

RIDER - SUPPLIER CHOICE

This Rider has been established to recover costs associated with Supplier Choice. The initial filing includes costs related to implementation and administration of the Account Number Access Mechanism per the Commission's Final Order at Docket No. M-2015-2468991 entered June 30, 2016 and costs associated with the implementation and administration of the Supplier Bill in accordance the Commission's Final Order entered August 20, 2015 at Docket No. M-2015-2474802.

The charges assessed per this rider shall be assessed to ratepayers served under rate schedules Residential, GSS- General Service Small, Residential- Transport, and GDS- General Delivery Service up to 1,000 Mcf annually. Charges assessed per this rider shall not be applicable to ratepayers served in the Company's CAP or Pilot E-CAP (E-CAP) program.

The Company shall provide a reconciliation of actual costs with actual revenues recovered under Rider - Supplier Choice for the twelve month period ended August 31. The rate will be adjusted annually for the resulting over/undercollection to be effective October 1.

Application of the Supplier Choice Charge shall be subject to review and audit by the Commission at intervals that it shall determine. The Commission shall review the level of charges produced by the Supplier Choice Charge and the costs included therein.

No interest shall be included in the Supplier Choice Charge.

The Supplier Choice Rider shall become effective upon Commission approval and shall remain in effect until otherwise directed by the Commission and until the final reconciliation statement is approved and charges fully recovered.

Supplier Choice Charge per Month (\$0.0012) (D)

(D) Indicates Decrease.

RIDER D

UNIVERSAL SERVICE AND ENERGY CONSERVATION

- I. This rider provides a method of recovery of costs associated with the Company's Universal Service and Energy Conservation programs.
- II. This Rider shall be applicable to Rate RS, and residential customers receiving service under rate FDS except customers enrolled in the CAP or Pilot E-CAP. The rate will be adjusted quarterly and filed with the Company's quarterly gas cost filings to be effective one (1) day after filing.
- III. Rate: \$0.2526 per Mcf (I)

Each PGC quarter, Rider D shall be calculated to recover costs related to the Company's Universal Service Programs for low-income residential priority customers, plus CAP administrative costs and Universal Service call management costs in excess of \$168,000. Cost offsets will be applied as a credit to the quarterly calculation as follows: Equitable will recognize universal service cost offsets when the base level of CAP shortfall (\$23,836,467) and CAP arrearages (\$780,397) which is \$24,616,864 in the aggregate, and CAP participation of 20,335 CAP customers are both exceeded. The CAP offset will be determined using 12% of the average CAP credit attributable to CAP and Pilot E-CAP customers in excess of 20,335. These offsets will be applied if necessary as a credit to Rider D on a quarterly adjustment basis.

Total CAP costs will be calculated as follows: The average annual usage of current CAP and Pilot E-CAP customers and projected CAP additions will be multiplied by the projected quarterly residential sales rate plus applicable monthly meter charges for current and additional CAP and Pilot E-CAP customers, less projected average CAP and Pilot E-CAP customer payments and average LIHEAP grants, plus LIURP costs, plus CAP and Pilot E-CAP arrearages, plus CAP administrative costs in excess of \$168,000. Appropriate cost offsets will then be credited if necessary. The net result will be divided by projected non-CAP residential throughput.

- IV. Annual Reconciliation: Each year, actual total CAP costs, less appropriate cost offsets, will be reconciled with actual total CAP recoveries. The reconciliation period will be from September 1st through August 31st. An annual reconciliation statement will be filed by September 30th in accordance with 66 Pa. C.S. §1307(e). Any over/under recoveries of CAP costs will be reflected in the determination of the new Rider D rate effective one (1) day after filing on October 1 of each year.

(I) Indicates Increase.

RIDER D

UNIVERSAL SERVICE AND ENERGY CONSERVATION (CONT.)

- V. CAP Plus: LIHEAP receipts for customers participating in the CAP or E-CAP program for the previous LIHEAP heating season will be divided by the total of (1) current active CAP and ECAP participants; and (2) the projected average number of CAP and E-CAP participants to be added for the projected quarter to arrive at a CAP Plus amount. The calculated CAP Plus amount, up to a maximum of \$5 per month, will be added to the calculated monthly CAP or E-CAP payment for all participating CAP customers. (C)

(C) Indicates Change.

RIDER EDISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a charge of 5.00% will apply consistent with the Commission Order dated July 16, 2013 at Docket No. P-2013-2342745, approving the DSIC. (I)

1. General Description

A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

B. Eligible Property: The DSIC-eligible property will consist of the following:

- Piping (account 376);
- Couplings (account 376);
- Gas services lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (account 334, 369, 381);
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities;
- Other related capitalized costs (accounts 303, 387, 391.02 and 392);
- Field Lines (account 332); and
- Transmission Lines (account 367).

C. Effective Date: The DSIC will become effective for bills rendered on or after October 1, 2013.

(I) Indicates Increase.

(C) Indicates Change.

RIDER E - DSIC (Continued)**2. Computation of the DSIC**

A. Calculation: The initial DSIC, effective for bills rendered on or after October 1, 2013, shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service between June 1, 2013 and August 31, 2013. Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

<u>Effective Date of Change</u>	<u>Date to which DSIC-Eligible Plant Additions Reflected</u>
April 1	December 1 - February 28/29
July 1	March 1 - May 31
October 1	June 1 - August 31
January 1	September 1 - November 30

B. Determination of Fixed Costs: The fixed costs of eligible distribution system improvements projects will consist of depreciation and pre-tax return, calculated as follows:

1. Depreciation: The depreciation expense shall be calculated by applying the annual accrual rates employed in the Company's most recent base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded to the original cost of DSIC-eligible property.

2. Pre-tax return: The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

RIDER E - DSIC (Continued)

C. Application of DSIC: The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service under the Company's otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the Company's projected revenue for distribution service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of the STAS.

D. Formula: The formula for calculation of the DSIC is as follows:

$$DSIC = \frac{(DSI * PTRR) + Dep + S}{PQR} + \frac{e}{PQR} \quad (C)$$

Where:

DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation.

PTRR = Pre-tax return rate applicable to DSIC-eligible property.

Dep = Depreciation expense related to DSIC-eligible property.

e = Amount calculated under the annual reconciliation feature or Commission audit, as described below.

S = Synergy fees/(revenues); cost assessed (revenue received) for serving customers of another legal entity approved at G-2014-2448803.

PQR = Projected quarterly revenues for distribution service (including all applicable clauses and riders) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Quarterly revenues will be determined on the basis of one fourth of projected annual revenues.

3. Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Bureau of Audits at least ten (10) days prior to the effective date of the update.

(C) Indicates Change

RIDER E - DSIC (Continued)**4. Customer Safeguards**

A.Cap: The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.

B.Audit/Reconciliation: The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC (C) to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC, including Synergy fees received, for the reconciliation period will be compared to the Company's eligible costs, including Synergy fees paid, for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, *et seq.*) and will be refunded in the same manner as an over-collection.

C.New Base Rates: The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rates or rate base will be reflected in the quarterly updates of the DSIC.

D.Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

E.All customer classes: The DSIC shall be applied equally to customer classes, except that the Company may reduce or eliminate it to any customers with competitive alternatives who are paying flexed or discounted rates and customers having negotiated contracts with the Company, if it is reasonably necessary to do so.

F.Earning Reports: The DSIC will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings reports show that the Company would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearning on one-day's notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the Utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs. (C)

G.Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any overcollection to customers and is entitled to recover any undercollections as set forth in Section 4.B. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement. (C)

(C) Indicates Change.

RIDER F**MERCHANT FUNCTION CHARGE (MFC)**

The Merchant Function Charge (MFC) shall be added to the gas cost charges applicable under rate schedules Rate RS, Rate FDS, Rate GSS and GSL. The gas costs charges include the Capacity Charge, Gas Cost Adjustment Charge and Commodity Charge.

The MFC shall be updated quarterly effective with each 1307(f) rate change. The write-off factor used to calculate the quarterly MCF shall only be determined in a base rate case filing.

For residential customers receiving service under Rate RS and Rate FDS, the MFC shall equal the write-off factor of 2.596% times the gas cost charges as set forth in Peoples' Equitable Division Rider A and Rider B. The current MFC applicable to Rate RS customers is:

Capacity Charge per Mcf	\$0.0280	(I)
Gas Cost Adjustment Charge per Mcf	(\$0.0015)	(D)
Commodity Charge per Mcf	<u>\$0.0703</u>	(I)
Total MFC per Mcf	\$0.0968	(I)

For Small, Medium, and Large General Service customers receiving service under Rate GSS and GSL, the MFC shall equal the write-off factor of 0.661% times the gas cost charges as set forth in Peoples' Equitable Division Rider A and Rider B. The current MFC applicable to these ratepayers is:

Capacity Charge per Mcf	\$0.0071	(I)
Gas Cost Adjustment Charge per Mcf	(\$0.0004)	(D)
Commodity Charge per Mcf	<u>\$0.0179</u>	(I)
Total MFC per Mcf	\$0.0246	(I)

(D) Indicates Decrease.

(I) Indicates Increase.

RIDER G
GAS PROCUREMENT CHARGE

(C)

For bill presentment purposes, the Gas Procurement Charge (GPC) shall be added to the Commodity Gas Cost Charge applicable to sales rate schedules Rate RS, Rate SGS, Rate MGS, Rate LGS and any other applicable sales service rate schedule under this tariff.

Recoverable Costs

The GPC shall include gas procurement costs incurred by the Company solely on behalf of its sales service customers. The GPC shall exclude any costs recovered through Rider B - 1307(f) gas cost recovery mechanism. The GPC shall exclude any gas procurement costs incurred by the Company in support of transportation or shopping customers or programs.

Recalculation of the GPC

The costs to be included in the GPC shall be calculated in accordance with Commission regulations and shall be determined and updated in each base rate case filed by the Company. The GPC shall not be subject to reconciliation for any prior-period or over-or-under collections.

GPC Charge per Mcf \$0.1055/Mcf

(D)

RATE AGS - APPALACHIAN GATHERING SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Service under this rate schedule is available to any party desiring to transport gas through the gathering system as well as to deliver gas directly into the Company's distribution system, provided that there exists: (1) a gas purchase agreement with the Company or an executed Rate AGS Service Agreement; and (2) compliance with the provisions of this Rate Schedule and with all other provisions of this Tariff.

RATES

All volumes of gas received at any point under this service will be subject to a gathering rate (billed in dekatherms) and a retainage rate with a minimum of 2%. All rates for this service shall be determined by negotiation.

(C)

SURCHARGES AND RIDERS

Customers served under this rate schedule are subject to Rider E Distribution System Improvement Charge (DSIC) except that the DSIC rate may be reduced or eliminated for any customer with competitive alternatives or negotiated contracts.

TERM

The term for service shall be a minimum of one (1) year from the commencement of deliveries of gas supplies.

CHARACTER OF SERVICE

Equitable's only obligation under this Rate Schedule shall be to receive gas from any Appalachian receipt point and to permit that gas to flow against the existing pressure in Equitable's facilities. Equitable shall not be obligated to lower such line pressure by compression or otherwise to accommodate receipts from local Appalachian producers under this Rate Schedule.

Service under this Rate Schedule shall be subject to Operational Flow Orders pursuant to Section 11.13 of the Rules and Regulations of this Tariff. Nothing in this Rate Schedule shall limit Equitable's right to interrupt service or to take other action as may be required to alleviate conditions which threaten the integrity of its system.

(C) Indicates Change

RATE MLX
MAINLINE EXPANSION SERVICE (C)

The Company, at its discretion, may offer service under this rider to a residential or commercial Applicant or group of Applicants who require extension of the Company's facilities to serve the Applicant(s) under Rule 1.2 of the Rules and Regulations Section of this tariff. This Rate provides the Applicant(s) with an option to pay a delivery rate set by the Company from the delivery rate tiers below in lieu of providing a contribution in aid of construction ("CIAC") determined in accordance with Rule 1.2 using rates RS or GSS. All applicants at the time of construction as well as any future applicants serviced by a facility extended under this rate will pay the same rate as the original applicants. Future extensions of mainline from a previous Rate MLX project will be evaluated separately and assigned the greater of the MLX rate for the existing project or the MLX tier that will justify the project under Rule 1.2 on a standalone basis.

This Rider is established as a Pilot and will close for new participation five years after this rate is approved by the Commission.

Residential and Commercial Customers MLX Delivery Charge

The charges under this Rate will include the otherwise applicable RS or GSS customer charge and riders. Only the delivery rate will differ as is shown below.

Pilot Rate MLX delivery rates will be applied for each Mcf of gas used. The applicable rate will be selected from one of the tiers below for the entire extension. The Company will select the rate tier based on the minimum delivery rate required to cover the investment costs in accordance with Rule 1.2.

MLX Rate Tier	Residential	Commercial
1	\$ 6.79	\$ 5.10
2	\$ 7.23	\$ 5.54
3	\$ 7.67	\$ 5.98
4	\$ 8.11	\$ 6.42
5	\$ 8.55	\$ 6.86
6	\$ 8.99	\$ 7.30
7	\$ 9.43	\$ 7.74
8	\$ 9.87	\$ 8.18
9	\$ 10.31	\$ 8.62

(C) Indicates Change.

RATE MLX
MAINLINE EXPANSION SERVICE (C)

Customer Service Line Costs

The rate chosen by the Company will include the cost of the customer's service line (curb to meter). The customer will maintain ownership, and maintenance of, the curb to meter portion of the service line thereafter.

For customers tapping into a Pilot Rate MLX project after the initial construction, the cost of the curb to meter portion of the service line will be limited to the average cost of curb to meter installations for customers who were connected at the time of the mainline installation paid by the Company.

(C) Indicates Change.

Rider TCJA - TCJA TEMPORARY SURCHARGE

To implement the effects of the Tax Cuts and Jobs Act (TCJA), on March 15, 2018 the Pennsylvania Public Utility Commission (Commission) issued a Temporary Rates Order at Docket No. M-2018-2641242 directing the utility to file its current base rates and riders as temporary rates, pursuant to Section 1310(d) of the Public Utility Code. 66 Pa. C.S. § 1310(d). Subsequently, on May 17, 2018 and June 14, 2018, the Commission entered Orders superseding the March 15, 2018 Temporary Rates Order directing the utility to establish temporary rates as follows:

A negative surcharge of 6.8139% will apply as a credit for intrastate service to all customer bills rendered on and after May 1, 2019. This negative surcharge will be distributed equally among the utility's various customer classes, exclusive of STAS and automatic adjustment clause revenues. (I)

This negative surcharge will be reconciled at the end of each calendar year and will remain in place until the utility files and the Commission approves new base rates for the utility pursuant to Section 1308(d) that include the effects of the TCJA tax rate changes.

Interest on over or under collections shall be computed monthly at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, et seq.) from the month that the over or under collection occurs to the mid-point of the recovery period.

Upon determination that the negative surcharge, if left unchanged, would result in a material over or under collection, the Company may file with the Commission, on at least 10 days' notice, for an interim revision of the TCJA Temporary Surcharge.

The TCJA Temporary Surcharge will be filed with the Commission by December 1 of each year to become effective the following January 1.

(I) - Indicated Increase