

**PEOPLES NATURAL GAS COMPANY LLC –  
PEOPLES NATURAL GAS DIVISION**

**RATES AND RULES  
GOVERNING THE  
FURNISHING OF  
NATURAL GAS SERVICE  
TO RETAIL  
GAS CUSTOMERS**

October 1, 2023 Quarterly 1307(f), Rider MFC,  
Rider USP and Supplier Choice Filing

**ISSUED: September 29, 2023**

**EFFECTIVE: October 1, 2023**

**BY: Michael Huwar  
President  
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Pittsburgh, PA 15212**

**NOTICE**

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

**LIST OF CHANGES**

	<b><u>Current</u></b>	<b><u>Proposed</u></b>	<b><u>Increase/ (Decrease)</u></b>
<b><u>Rider PGC</u></b>			
<b><u>Rate RS, SGS, MGS, LGS, NGPV</u></b>			
Capacity Charge	\$1.0310	\$1.0301	(\$0.0009)
Gas Cost Adjustment Charge	\$0.3936	(\$3.7904)	(\$4.1840)
Natural Gas Supply Charge	\$0.7262	\$2.9220	\$2.1958
AVC Capacity Charge	\$0.7133	\$0.7515	\$0.0382
<b><u>Rider MFC – Merchant Function Charge</u></b>			
RS	\$0.0526	\$0.0967	\$0.0441
SGS	\$0.0045	\$0.0084	\$0.0039
MGS	\$0.0045	\$0.0084	\$0.0039
LGS	\$0.0045	\$0.0084	\$0.0039
RS-T			
<b><u>Balancing Charges</u></b>			
SGS	\$0.4052	\$0.4468	\$0.0416
MGS	\$0.4052	\$0.4468	\$0.0416
LGS	\$0.1388	\$0.1165	(\$0.0223)
<b><u>Rider USP - Universal Service Program</u></b>	\$0.1475	\$0.0123	(\$0.1352)
<b><u>Rider Supplier Choice</u></b>	(\$0.0002)	\$0.0042	\$0.0044
<b><u>Retainage Charges</u></b>	5.95%	5.9%	(0.05) %

Quarterly 1307(f), MFC, US	Rider Purchased Gas Costs				Base Rate Charges	Rider STAS	Rider MFC	Rider Supplier Choice	Rider USR	Rider GPC	Rider DSIC Charge	Rider TRS	Total Rate
	Capacity	AVC Capacity	GCA	Commodity									
	(1)	(2)	(3)	(4)									(13=SUM 1 to 12)
<b>Residential Sales</b>						0.08%					5.00%	-6.8414%	
Customer Charge					\$ 14.5000			\$ 0.0042			\$ 0.7250	\$ (0.9920)	\$ 14.2372
Capacity	\$ 1.0301	\$ 0.7515					\$ 0.0252						\$ 1.8068
Price to Compare - PTC			\$ -	\$ 2.9220			\$ 0.0715			\$ 0.0865			\$ 3.0800
GCA Refund Credit Oct-Dec 2023			\$ (3.7904)										\$ (3.7904)
Delivery Charge					\$ 3.9608			\$ 0.0123		\$ 0.2078	\$ (0.2710)		\$ 3.9099
State Tax Surcharge						\$ 0.0032							\$ 0.0032
Total per MCF							\$ 0.0967						\$ 5.0095
<b>Small General Service (SGS)</b>													
Customer Charge													
0 to 499 MCF/Yr					\$ 20.0000			\$ 0.0042		\$ 1.0000	\$ (1.3683)		\$ 19.6359
500 to 999 MCF/Yr					\$ 40.0000			\$ 0.0042		\$ 2.0000	\$ (2.7366)		\$ 39.2676
1/ Capacity	\$ 0.4468	\$ 0.7172											\$ 1.1640
Price to Compare - PTC	\$ 0.5833		\$ -	\$ 2.9220			\$ 0.0084			\$ 0.0865			\$ 3.6002
GCA Refund Credit Oct-Dec 2023			\$ (3.7904)										\$ (3.7904)
Delivery Charge					\$ 2.7000					\$ 0.1397	\$ (0.1847)		\$ 2.6550
State Tax Surcharge						\$ 0.0022							\$ 0.0022
Total per MCF	\$ 1.0301												\$ 3.6310
<b>Medium General Service (MGS)</b>													
Customer Charge													
1,000 to 2,499 MCF/Yr					\$ 85.0000					\$ 4.2500	\$ (5.8152)		\$ 83.4348
2,500 to 24,999 MCF/Yr					\$ 130.0000					\$ 6.5000	\$ (8.8938)		\$ 127.6062
1/ Capacity	\$ 0.4468	\$ 0.4543											\$ 0.9011
Price to Compare - PTC	\$ 0.5833		\$ -	\$ 2.9220			\$ 0.0084			\$ 0.0865			\$ 3.6002
GCA Refund Credit Oct-Dec 2023			\$ (3.7904)										\$ (3.7904)
Delivery Charge					\$ 2.6914					\$ 0.1393	\$ (0.1841)		\$ 2.6466
State Tax Surcharge						\$ 0.0022							\$ 0.0022
Total per MCF	\$ 1.0301												\$ 3.3596
<b>Large General Service (LGS)</b>													
Customer Charge													
25,000 to 49,999 MCF/Yr					\$ 575.0000					\$ 28.7500	\$ (39.3381)		\$ 564.4120
50,000 to 99,999 MCF/Yr					\$ 750.0000					\$ 37.5000	\$ (51.3105)		\$ 736.1895
100,000 to 199,999 MCF/Yr					\$ 1,400.0000					\$ 70.0000	\$ (95.7796)		\$ 1,374.2204
Over 200,000 MCF/Yr					\$ 1,600.0000					\$ 80.0000	\$ (109.4624)		\$ 1,570.5376
1/ Capacity	\$ 0.1165	\$ 0.2550											\$ 0.3715
Price to Compare - PTC	\$ 0.9136		\$ -	\$ 2.9220			\$ 0.0084			\$ 0.0865			\$ 3.9305
GCA Refund Credit Oct-Dec 2023			\$ (3.7904)										\$ (3.7904)
Delivery Charge													
25,000 - 49,999 MCF/Yr					\$ 2.6411	\$ 0.0021				\$ 0.1368	\$ (0.1807)		\$ 2.5993
50,000 - 99,999 MCF/Yr					\$ 2.5773	\$ 0.0021				\$ 0.1336	\$ (0.1763)		\$ 2.5366
100,000 - 199,999 MCF/Yr					\$ 2.5694	\$ 0.0021				\$ 0.1332	\$ (0.1758)		\$ 2.5289
200,000 to 749,999 MCF/Yr					\$ 2.4999	\$ 0.0020				\$ 0.1297	\$ (0.1710)		\$ 2.4606
750,000 to 1,999,999 MCF/Yr					\$ 2.1327	\$ 0.0017				\$ 0.1114	\$ (0.1459)		\$ 2.0999
Over 2,000,000 MCF/Yr					\$ 1.6445	\$ 0.0013				\$ 0.0870	\$ (0.1125)		\$ 1.6203
2/ Total per MCF	\$ 1.0301												\$ 3.1109

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.

2/ The Total per MCF displayed for Retail LGS is representative of the 25,000 - 49,999 MCF/Yr delivery charge tier only.

3/ The above rates are for non-transitional customers. For transitional customer rates, refer to the corresponding rate schedule found in the Company's retail tariff.

PEOPLES NATURAL GAS COMPANY LLC -  
PEOPLES NATURAL GAS DIVISION

SUPPLEMENT NO. 31 TO GAS—PA PUC NO. 47  
TWENTY-EIGHTH REVISED PAGE NO. 4  
CANCELLING TWENTY-SEVENTH REVISED PAGE NO. 4

Quarterly 1307(f), MFC, US	Base Rate Charges	Rider STAS	Rider MFC	Rider USR	Rider Purchased Gas Costs		Balancing Charge	Rider Supplier Choice	Rider DSIC Charge	Rider TRS	Total Rate
	(1)	(2)	(3)	(4)	Capacity (5)	AVC Capacity (6)	(7)	(8)	(9)	(10)	(11=SUM 1 to 10)
<b>Rate GS-T Residential</b>		0.08%							5.00%	-6.8414%	
Customer Charge	\$ 14.5000							\$ 0.0042	\$ 0.7250	\$ (0.9920)	\$ 14.2372
Capacity			\$ 0.0252		\$ 1.0301	\$ 0.7515					\$ 1.8068
Delivery Charge	\$ 3.9608			\$ 0.0123					\$ 0.1999	\$ (0.2710)	\$ 3.9020
State Tax Surcharge		\$ 0.0032									\$ 0.0032
Total per MCF											\$ 5.7120
<b>Rate GS-Transportation SGS</b>											
Customer Charge											
0 to 499 MCF/Yr	\$ 20.0000							\$ 0.0042	\$ 1.0000	\$ (1.3683)	\$ 19.6359
500 to 999 MCF/Yr	\$ 40.0000							\$ 0.0042	\$ 2.0000	\$ (2.7366)	\$ 39.2676
1/ Capacity/BB&A					\$ 0.7172	\$ 0.4468					\$ 1.1640
Delivery Charge	\$ 2.7000								\$ 0.1350	\$ (0.1847)	\$ 2.6503
State Tax Surcharge		\$ 0.0022									\$ 0.0022
Total per MCF											\$ 3.8164
<b>Rate GS-Transportation MGS</b>											
Customer Charge											
1,000 to 2,499 MCF/Yr	\$ 85.0000								\$ 4.2500	\$ (5.8152)	\$ 83.4348
2,500 to 24,999 MCF/Yr	\$ 130.0000								\$ 6.5000	\$ (8.8938)	\$ 127.6062
1/ Capacity/BB&A					\$ 0.4543	\$ 0.4468					\$ 0.9011
Delivery Charge	\$ 2.6914								\$ 0.1346	\$ (0.1841)	\$ 2.6418
State Tax Surcharge		\$ 0.0022									\$ 0.0022
Total per MCF											\$ 3.5451
<b>Rate GS-Transportation LGS</b>											
Customer Charge											
25,000 to 49,999 MCF/Yr	\$ 575.0000								\$ 28.7500	\$ (39.3381)	\$ 564.4120
50,000 to 99,999 MCF/Yr	\$ 750.0000								\$ 37.5000	\$ (51.3105)	\$ 736.1895
100,000 to 199,999 MCF/Yr	\$ 1,400.0000								\$ 70.0000	\$ (95.7796)	\$ 1,374.2204
Over 200,000 MCF/Yr	\$ 1,600.0000								\$ 80.0000	\$ (109.4624)	\$ 1,570.5376
1/ Capacity/BB&A					\$ 0.2550	\$ 0.1165					\$ 0.3715
Delivery Charge											
25,000 - 49,999 MCF/Yr	\$ 2.6411	\$ 0.0021							\$ 0.1321	\$ (0.1807)	\$ 2.5946
50,000 - 99,999 MCF/Yr	\$ 2.5773	\$ 0.0021							\$ 0.1289	\$ (0.1763)	\$ 2.5319
100,000 - 199,999 MCF/Yr	\$ 2.5694	\$ 0.0021							\$ 0.1285	\$ (0.1758)	\$ 2.5241
200,000 to 749,999 MCF/Yr	\$ 2.4999	\$ 0.0020							\$ 0.1250	\$ (0.1710)	\$ 2.4559
750,000 to 1,999,999 MCF/Yr	\$ 2.1327	\$ 0.0017							\$ 0.1066	\$ (0.1459)	\$ 2.0951
Over 2,000,000 MCF/Yr	\$ 1.6445	\$ 0.0013							\$ 0.0822	\$ (0.1125)	\$ 1.6155
2/ Total per MCF											\$ 2.9661

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

2/ The Total per Mcf displayed for Transport LGS is representative of the 25,000 - 49,999 MCF/Yr delivery charge tier only.

3/ The above rates are for non-transitional customers. For transitional customer rates, refer to the corresponding rate schedule found in the Company's retail tariff.

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**DEFINITIONS OF TERMS**

**Applicant** - Any person, corporation or other entity that (i) desires to receive from the Company natural gas or any other service provided for in this Tariff, (ii) complies completely with all Company requirements for obtaining natural gas or any other service provided for in this Tariff, (iii) has filed and is awaiting Company approval of its application for service, and (iv) is not receiving from the Company any service provided for in this Tariff. An Applicant shall become a customer for purposes of this Tariff only after it actually starts receiving the applicable service(s) from the Company under this Tariff. Applicants for residential service shall be further defined as a natural person not currently receiving service who applies for residential service provided by a public utility or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested.

**Capacity Charge** – A charge designed to recover the costs that the Company incurs to reserve capacity on interstate pipelines.

**Chapter 56** – The Commission regulations that govern, among other things, metering, billing and collections for residential gas and electricity service.

**City Gate** – The point where interstate pipelines deliver gas into natural gas distribution company facilities.

**Commission** – The Pennsylvania Public Utility Commission or any lawful successor thereto that provides oversight, policy, guidance and direction to public utilities and NGSS.

**Commodity Charge** – A charge designed to recover the cost of producing or procuring natural gas.

**Commodity Service** – Service provided by the Company or a natural gas supplier which involves the purchase of gas commodity by the customer.

**Company** – The entity doing business as Peoples Natural Gas Company LLC.

**Customer** – Any person, partnership, association, corporation, or other entity (i) in whose name a service account is listed, (ii) who occupies or is the customer for any premises, building, structure, etc, (iii) is primarily responsible for payment of bills, or (iv) any adult occupant whose name appears on the mortgage, deed or lease of the property. A customer includes anyone taking Supplier of Last Resort Service and/or Distribution Service under this Tariff

**Customer Charge** – A monthly charge to cover such natural gas distribution company costs as maintaining the gas lines, meter reading and billing.

**Daily Available Volume** – The total volume of gas actually delivered to the Company for the customer's account on a particular day, less an appropriate retainage percentage plus any adjustments associated with the reconciliation of monthly volumes as set forth in Rate GS-T and Rate T.

**Daily Consumption Volume** – The quantity of gas estimated by the Company to be consumed by the customer on any day.

**Day** – A 24-hour period beginning at 10 a.m. and ending at 10 a.m. or as subsequently defined by natural gas industry standards promulgated by FERC.

**Delivery Charge** – A charge designed to recover the costs the Company incurs in using its distribution system or local pipelines to deliver natural gas to a customer.

**Distribution Charges** – Various natural gas distribution charges that may include the Delivery Charge, Capacity Charge and Gas Cost Adjustment Charge.

**Distribution Service** – Service provided by the Company involving the delivery of gas to the customer.

**Gas Cost Adjustment Charge** – The amount billed or credited each month to account for differences between projected and actual gas supply costs of the Company.

**Mcf** – 1,000 cubic feet of gas. This is a measure of gas usage.

**DEFINITIONS OF TERMS**

**Natural Gas Distribution Company** - A public utility that provides natural gas distribution services and which may provide natural gas supply services and other services.

**Natural Gas Supplier (NGS)** – An entity that has received a license from the Commission and that sells natural gas to customers that is delivered through the distribution lines of the Company.

**Small Business Customer** – Any commercial or industrial customer with annual consumption of less than 300 Mcf.

**Storage** – Placing natural gas into an underground facility for removal and use at a later date.

**Supplier of Last Resort** – The Company or another entity that provides natural gas supply services to customers that do not elect another supplier or choose to be served by the supplier of last resort, customers that are refused service from another natural gas supplier, or customers whose natural gas supplier fails to deliver the required gas supplies. Currently, the Company is the supplier of last resort for all Priority-One customers under the terms of this tariff. Each customer may only have one supplier of last resort.

**Supplier of Last Resort Service** – Service that includes both Distribution Service and Commodity Service provided by the Company in its role as Supplier of Last Resort.

**(C)** – Indicates change.

**(D)** – Indicates decrease.

**(I)** – Indicates increase.

**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, based upon the use to which such gas is put and not upon volumes consumed (except where indicated), to the following classes of customers:

**RESIDENTIAL CUSTOMERS**

Residential customers are customers who use gas for household purposes, including single-family dwellings, boarding and rooming houses, duplex houses, private garages appurtenant to private homes or dwellings, apartments, apartment buildings, and governmental housing in which the units are individually metered. In this class the element of human welfare and comfort in a residential setting is the distinguishing test of the customer's use of gas. Each meter represents one customer.

**COMMERCIAL CUSTOMERS**

Commercial customers are 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 any non-industrial premises where one meter is serving more than one unit. If the customer's predominant usage is for natural gas-powered vehicle service, then the customer will be classified as a Commercial customer.

**INDUSTRIAL CUSTOMERS**

Industrial customers include customers who are engaged in a process which creates or changes raw material or unfinished materials into another form; customers who use gas for large-volume power; customers who use gas for process steam generation; and customers who use gas for any other purpose not predominantly residential or commercial.



**CLASSIFICATION OF CUSTOMERS  
TO WHOM SERVICE IS MADE AVAILABLE**

**NATURAL GAS DISTRIBUTION COMPANY (NGDC) CUSTOMERS**

NGDC customers are companies regulated by the Commission. Within this classification the NGDC can be acting either on its own or on its end user's behalf.

**CHANGE IN CLASSIFICATION**

Any customer who believes that, as a result of a change in the use of the premises served, his classification ought to be changed must contact the Company. All changes will be determined by the Company, on a prospective basis, after it has been notified of the change; however, the Company reserves the right to make changes in classification on its own initiative. The decision of the Company as to classification shall be final.

Eligibility for a particular rate schedule under this tariff and application of the appropriate monthly customer charge shall be based on a review of the customer's annual usage. This review shall not be conducted more frequently than once per year. All changes in rate schedule classification and monthly customer charges as a result of this usage review shall be implemented on a prospective basis. Rate schedule classification and the appropriate customer charge for new customers, shall be determined by the Company based on an estimate of annual usage. The Company also reserves the right to establish the appropriate rate schedule classification and monthly customer charge based on anticipated customer usage.

**RATES AVAILABLE UNDER THIS TARIFF****Rate RS - Residential Service**

This rate is available to residential customers throughout the territory served by the Company.

**Rate CAP and Rate E-CAP (C)**

This is available to residential customers who meet the criteria as detailed in this Rate Schedule.

**Rate SGS – Small General Service**

This rate is available to commercial and industrial customers and NGDCs consuming less than 1,000 Mcf of natural gas service annually throughout the territory served by the Company with the exception of commercial customers qualifying under Rate NGPV.

**Rate MGS – Medium General Service**

This rate is available to commercial and industrial customers and NGDCs consuming between 1,000 and 24,999 Mcf of natural gas service annually throughout the territory served by the Company with the exception of commercial customers qualifying under Rate NGPV.

**Rate LGS – Large General Service**

This rate is available to commercial and industrial customers and NGDCs consuming more than 25,000 Mcf annually throughout the territory served by the Company with the exception of commercial customers qualifying under Rate NGPV.

**Rate CER - Competitive Energy Rate**

This rate is available to all customers throughout the territory served by the Company who, in the determination of the Company, meet the criteria set forth under Rate Schedule CER.

**Rate GS-T - General Service Transportation**

This rate offers firm transportation service for residential, commercial, industrial, and NGDC customers. Commercial, industrial, and NGDC customers that consume less than 1,000 Mcf per year are classified as Small General Service customers under this tariff. Commercial, industrial, and NGDC customers that consume between 1,000 and 24,999 Mcf per year are classified as Medium General Service customers under this tariff. Commercial, industrial, and NGDC customers that consume more than 25,000 Mcf per year are classified as Large General Service customers under this tariff.

**Rate GS-SB - General Standby Service**

This rate offers standby service for residential, commercial, and industrial transportation customers.

**Rate NGPV**

This rate offers service for natural gas powered vehicles.

**Rate Schedule - Appalachian Gathering Service**

This rate is available to any party desiring to deliver conventional well gas directly into the Company's system.

**Pilot Rate MLX**

This delivery rate is offered to new Residential and Commercial consumers who are replacing service from an alternate fuel with natural gas.

**Rate GL- Gas Lights**

This rate offers service for any gas lighting where the gas is not measured by a meter.

(C) Indicates change.

**DESCRIPTION OF TERRITORY**

The Company serves as a natural gas public Company in the following cities, boroughs, and townships, all of which are in Pennsylvania:

**ALLEGHENY COUNTY****Cities and Boroughs**

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

**Townships**

Aleppo	Kilbuck	Scott
Collier	Marshall	Shaler
Crescent	McCandless	South Fayette
East Deer	Moon	South Park
Elizabeth	Mt. Lebanon	South Versailles
Fawn	North Fayette	Springdale
Findlay	North Versailles	Stowe
Forward	O' Hara	Upper St. Clair
Frazer	Ohio	West Deer
Hampton	Pine	Wilkins
Harmar	Reserve	
Harrison	Richland	
Indiana	Robinson	
Kennedy	Ross	

DESCRIPTION OF TERRITORYARMSTRONG COUNTYBoroughsApollo  
Applewold  
Atwood  
Dayton  
EldertonFord City  
Ford Cliff  
Freeport  
Kittanning  
LeechburgManorville  
North Apollo  
Rural Valley  
West KittanningTownshipsBethel  
Boggs  
Burrell  
Cadogan  
Cowanshannock  
East Franklin  
Gilpin  
Kiskiminetas  
Kittanning  
MadisonMahoning  
Manor  
North Buffalo  
Parks  
Pine  
Plumcreek  
Rayburn  
Redbank  
South BendSouth Buffalo  
Sugarcreek  
Valley  
Washington  
Wayne  
West FranklinBEAVER COUNTYCities & BoroughsAliquippa  
Beaver  
Industry  
MidlandMonaca  
OhiovilleShippingport  
South HeightsTownshipsBrighton  
Center  
Chippewa  
Darlington  
FranklinHopewell  
Independence  
Marion  
New SewickleyPotter  
Raccoon  
South Beaver  
VanportBLAIR COUNTYCities and BoroughsAltoona  
BellwoodDuncansville  
Hollidaysburg

Tyrone

DESCRIPTION OF TERRITORYBLAIR COUNTY (continued)TownshipsAllegheny  
Antis  
BlairFrankstown  
GreenfieldLogan  
SnyderBUTLER COUNTYBoroughsCallery  
Evans City  
Harmony  
MarsPortersville  
Prospect  
Saxonburg  
Seven FieldsSlippery Rock  
Valencia  
ZelienopleTownshipsAdams  
Buffalo  
Cherry  
Clinton  
Connoquenessing  
CranberryForward  
Franklin  
Jackson  
Jefferson  
Lancaster  
MarionMiddlesex  
Muddycreek  
Slippery Rock  
Winfield  
WorthCAMBRIA COUNTYCities and BoroughsBrownstown  
Cresson  
Dale  
Ebensburg  
FerndaleFranklin  
Geistown  
Johnstown  
Lorain  
LorettoNanty-Glo  
Portage  
Sankertown  
Southmont  
WestmontTownshipsAdams  
Allegheny  
Blacklick  
Cambria  
Conemaugh  
Cresson  
CroyleEast Taylor  
Jackson  
Lower Yoder  
Middle Taylor  
Munster  
PortageRichland  
Stonycreek  
Susquehanna  
Upper Yoder  
Washington  
West Carroll  
West Taylor

DESCRIPTION OF TERRITORYCLARION COUNTYTownshipsClarion  
LimestoneMonroe  
Porter

Redbank

FAYETTE COUNTYBoroughsBelle Vernon  
Fayette CityFairchance  
Masontown

Point Marion

TownshipsFranklin  
Georges  
German  
Jefferson  
LuzerneMenallen  
North Union  
Perry  
Saltlick  
South UnionSpringhill  
Stewart  
Washington  
WhartonGREENE COUNTYBoroughsCarmichaels  
ClarksvilleJefferson  
Mather

Waynesburg

TownshipsAleppo  
Center  
Cumberland  
Dunkard  
Franklin  
Freeport  
GilmoreGreene  
Jackson  
Jefferson  
Monongahela  
Morgan  
Morris  
PerryRichhill  
Springhill  
Washington  
Wayne  
WhiteleyINDIANA COUNTYBoroughsBlairsville  
CreeksideHomer City  
IndianaSaltsburg  
Shelocta

**DESCRIPTION OF TERRITORY****INDIANA COUNTY (continued)**Armstrong  
Black Lick  
Buffington  
Burrell  
Center  
Cherryhill**Townships**Conemaugh  
East Mahoning  
Grant  
North Mahoning  
Rayne  
South Mahoning  
WashingtonWest Mahoning  
West Wheatfield  
White  
Young**JEFFERSON COUNTY**

Perry

**Townships**

Porter

Ringgold

**LAWRENCE COUNTY**

Enon Valley

**Boroughs**

New Wilmington

Volant

**Townships**Hickory  
Little Beaver  
NeshannockPulaski  
Scott  
Washington

Wilmington

**MERCER COUNTY**

Grove City

**Boroughs**

Sandy Lake

Stoneboro

**Townships**East Lackawannock  
Findley  
Lake  
LibertyPine  
Sandy Lake  
Shenango  
SpringfieldWilmington  
Wolf Creek**SOMERSET COUNTY**

Boswell

**Boroughs**

Seven Springs

DESCRIPTION OF TERRITORYSOMERSET COUNTY (continued)Townships

Conemaugh  
Jefferson

Jenner  
Middlecreek

Somerset

VENANGO COUNTYTownships

Clinton

Irwin

WASHINGTON COUNTYCities and Boroughs

Beallsville  
Bentleyville  
Burgettstown  
California

Centerville  
Cokeburg  
Deemston  
Donora  
Ellsworth

Finleyville  
Monongahela  
New Eagle

Townships

Amwell  
Carroll  
Cecil  
Chartiers  
Cross Creek  
East Bethlehem  
East Finley  
East Pike Run  
Fallowfield

Hanover  
Jefferson  
Monongahela  
Morris  
Mt. Pleasant  
North Bethlehem  
North Strabane  
Nottingham  
Peters

Robinson  
Somerset  
South Franklin  
South Strabane  
Smith  
Union  
West Bethlehem  
West Pike Run

WESTMORELAND COUNTYCities and Boroughs

Adamsburg  
Arnold  
Avonmore  
Bolivar  
Delmont  
Derry  
East Vandergrift  
Export

Jeannette  
Latrobe  
Ligonier  
Lower Burrell  
Manor  
Monessen  
Murrysville  
New Alexandria

New Kensington  
North Belle Vernon  
North Irwin  
Oklahoma  
South Greensburg  
Southwest Greensburg  
Trafford  
Vandergrift



DESCRIPTION OF TERRITORYWESTMORELAND COUNTY (continued)

<u>Cities and Boroughs</u>		
Greensburg	New Florence	West Leechburg
Hunker		Youngstown
Hyde Park		Youngwood
Irwin		
<u>Townships</u>		
Allegheny	Ligonier	St. Clair
Bell	Lower Burrell	Salem
Derry	Loyalhanna	South Huntingdon
Donegal	Mt. Pleasant	Unity
East Huntingdon	North Huntingdon	Upper Burrell
Fairfield	Penn	Washington
Hempfield	Rostraver	

The above-listed cities, boroughs, and townships in Pennsylvania in which the Company provides natural gas public utility service are not the only cities, boroughs, and townships in which the Company is entitled, either by charter or certificate, to provide such natural gas public utility service.

**RULES AND REGULATIONS****1. APPLICATION FOR SERVICE**

Applicants desiring any type of service from the Company under this Tariff shall contact the Company and specifically request the type and nature of service. Upon request, the Company will inform the customer of the identity of those NGSs offering retail service in its service territory and either provide a list of licensed suppliers or refer the customer to the Commission for further information. In any circumstance where an application to the Company for any service under this Tariff involves or is related to an NGS, such application cannot and shall not be processed by the Company unless the Applicant and/or the Applicant's NGS provides the necessary information relating to service.

A non-residential Applicant for any service under this Tariff will be required to sign an application for natural gas service, unless the Company, in its sole discretion, accepts an oral application from a non-residential Applicant. The Company shall accept an oral application from a residential Applicant except that the Company may require a written application from a residential Applicant if the Company determines positive identification or other documentation is necessary. The Company may request driver's license, or other information as positive identification. The Company may, as a condition of furnishing service to an Applicant, require the Applicant, in accordance with applicable Commission regulations, to pay an outstanding gas service account balance, if the Company can show that the Applicant resided at, or occupied if a non-residential account, the property for which service is requested during the period of time that the outstanding balance accrued. The methods used by the Company to determine an Applicant's liability for any such previously furnished service may include reference to customer service records of the Company, including internal Company notes, service contracts, information collected from the Applicant and other members of the household in connection with any help provided by the Company in determining eligibility for and completing applications to various assistance programs. Other methods which may be used by the Company for such purposes include identity authentication services, public data and information, mortgage, deed or lease information, commercially available consumer credit reporting services, skip-tracing tools, and other methods which are or have been approved as valid by the Commission.

Upon the receipt of natural gas service, the Applicant shall become a customer of the Company.

The customer shall inform the Company in advance of any proposed additions to (or decreases in) the customer's connected natural gas load.

**2. CHARACTER OF SERVICE**

The Company offers firm service, unless otherwise provided in this tariff.

**3. RULES FOR DEPOSIT**

A deposit from a customer shall conform to the Commission's regulations and applicable statutory requirements. Deposits required by the Company for Tariff regulated charges shall not be based on unpaid supplier charges.

**Residential Applicant/Customer**

- a. The Company will provide service without requiring a deposit when the Applicant provides adequate identification and satisfies the following requirements:
  - i. Has not failed to pay an undisputed delinquent account.
  - ii. Has not failed to complete payment of a deposit, provide a guarantee or establish credit.
  - iii. Has not failed to provide access to meters, service connections, or other property of the public utility for the purpose of replacement, maintenance, repair or meter reading.
  - iv. Has not engaged in unauthorized use of the utility service delivered on or about the affected dwelling.
  - v. Has not failed to comply with the material terms or conditions of a settlement or payment agreement.
  - vi. Has not engaged in fraud or material misrepresentation of identity for the purpose of obtaining utility service.
  - vii. Has not tampered with meters, including, but not limited to, bypassing a meter or removal of an automatic meter reading device or other public utility equipment.

**RULES AND REGULATION****3. RULES FOR DEPOSIT (continued)**

- viii. Has not violated 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 public utility.
  - ix. Provides information demonstrating to the satisfaction of the Company that the Applicant is not an unsatisfactory credit risk though the use of a generally accepted credit scoring methodology. This methodology includes providing positive identification for the last two known addresses, review of data specific to payment history of other utility services, and review of credit history established previously with the Company. The Company will not find that an Applicant is a bad credit risk simply because he does not have a prior credit history.
- b. If an Applicant does not establish credit under the methods outlined above, the Company may require that the Applicant post a cash deposit. The cash deposit is payable during a 90-day period in accordance with Commission regulations. Instead of posting a cash deposit, the Applicant may:
    - i. Furnish a written guarantee from one who can establish credit to the Company's satisfaction that states terms to secure payment. The guarantor shall be responsible for all missed payments owed to the Company.
  - c. The Company may require an existing customer to post a deposit to reestablish credit:
    - i. If the customer has been delinquent in payment of any two consecutive bills or three or more bills within the preceding 12 months, after having notified the customer of its intention in accordance with prevailing Commission regulations.
    - ii. If the customer's service has been terminated and the customer desires reconnection.
    - iii. When a customer fails to comply with a material term or condition of a settlement or payment agreement.
  - d. An existing customer whose service has been terminated and desires a reconnection of service may be permitted to pay any required deposit during a 90-day period in accordance with Commission regulations.

A cash deposit will be required in an amount equal to one-sixth of the Applicant's or customer's estimated annual bill at the time the Company determines that a deposit is required. This estimate shall be based upon prior consumption for like service at the affected premises, wherever available. Should the character or degree of the customer's usage materially change, or if it can clearly be established that either will materially change in the immediate future, the amount of the cash deposit may be adjusted at the request of either the Company or the customer.

All residential deposits shall bear interest 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, and such interest shall be returned with the deposit.

**RULES AND REGULATIONS****3. RULES FOR DEPOSIT (continued)**

The Company may refund or apply to a customer's account any security deposit held, plus accrued interest, under the following conditions:

- i. Upon discontinuance or termination of service.
- ii. When a customer establishes credit pursuant to the Commission's regulations.
- iii. When a customer substitutes a third-party guarantor, as defined in Commission's regulations, but the refund shall not exceed the guarantee.
- iv. After a customer has established a timely payment history. A timely payment history is established when a customer has paid its account balance in full and on time for 12 consecutive months.
- v. At the option of the Company, a cash deposit, including accrued interest, may be refunded in whole or in part at any time earlier than the time stated in i. through iv. above.

The Company shall deduct the outstanding balance on the customer's account from the deposit and return or credit any positive difference to the customer. The customer may direct to whom a refunded deposit, together with accrued interest, shall be paid.

**Commercial and Industrial Applicant/Customer**

The Company reserves the right to require a deposit or guaranty for all services to be supplied, or an increase in said deposit if there is an increase in the monthly bill for services rendered; also the right to apply such deposit to bills previously incurred by the Applicant under the existing or any previous contract with the Company.

A deposit may be required from an Applicant in an estimated amount equal to twice the average of the three highest monthly bills anticipated during the next 12 months. Such estimate shall be made from the record of services rendered to the same premises during the last 12 months of use, whether by Applicant or a prior occupant of the premises, adjusted to recognize the extent of the proposed use as compared with the use in the past. If there is no prior record of services rendered to the premises, the estimate shall be based upon the purposes for which services will be provided.

All commercial and industrial deposits shall bear interest 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, and such interest shall be returned with the deposit.

Upon final discontinuance of service and if such cash deposit has not been theretofore refunded, the principal of and interest thereon will be applied against the final bill, or if all bills are paid in full or if the deposit and interest shall be more than sufficient to cover the same, will be refunded to the customer, in whole or in part, as the case may be, by check.

To accommodate the Applicant in case he cannot furnish a cash deposit, a written guaranty of a third person who can establish credit to the Company's satisfaction, including demonstrating that the third-person is the owner of real estate already receiving service from the Company will be accepted, but such form of security is discouraged. To limit the guaranty to the lowest terms consistent with security, such guarantor is required to agree that upon default of the customer, the guarantor will make prompt payment of the charges for services rendered to the customer for a period not exceeding sixty days. In case the guarantor is required to pay, the customer then must either make a cash deposit or secure a renewal of the guaranty in order to have service maintained.

**RULES AND REGULATIONS****4. CONNECTIONS FOR SERVICE - EXTENSION OF FACILITIES**

The Applicant hereby undertakes to furnish, be responsible for, and pay the necessary costs of customer-owned service pipe, fixtures, fittings, valves, regulators, and appliances to make the necessary connections between the Company's lines and the place of consumption or the delivery point to the Applicant and keep the same in good repair, in a skillful and workmanlike manner, furnishing at his own expense said materials, and the labor, care, and supervision necessary and proper to safely conduct and burn the gas, but the Applicant shall not otherwise make changes in or interfere with said pipes and appliances and material. The arrangement and location of all piping and appliances (including meters) shall be subject to the approval of the Company, but the Company shall not be responsible in any manner for the selection, installation, maintenance, or use of said pipes and appliances, or for said labor, care, or supervisions, and shall have no duty or obligation with respect to the care, maintenance or supervision of the facilities. To facilitate this process, the Company makes available a manual entitled "Service Line Installation Standards" on its website.

The Company shall make the necessary connections between its curb cock or shutoff valve and the Applicant's service pipe, provide a meter and the necessary fittings, and connect the meter.

The meter and all pipe fittings and appliances furnished by the Company on the premises shall remain the property of the Company, and the Company shall have the right at all reasonable times to enter in and upon the premises to read, maintain, remove, change, replace, inspect, and/or reclaim the meter and associated equipment.

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.

The Company will extend its facilities to a new point of delivery within its service territory if, in its judgment and consistent with Commission regulations, the service to such 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, at its discretion, may extend its distribution mains up to a distance of one-hundred fifty (150) feet on any street or highway without cost to a residential applicant(s), absent any abnormal underground conditions or unusual permitting requirements. When abnormal underground conditions or unusual permitting requirements exist, as determined by the Company, the applicant(s) will be required to pay a contribution in aid of construction (CIAC) in an amount determined by the Company. The Company may also condition the extension of facilities upon the Applicant's providing a CIAC, the amount of which will be determined by the Company and consistent with any parameters approved or required by the Commission. At the company's discretion, eligible Applicants for an extension may be offered service under Pilot Rate MLX as an alternative to a CIAC.

**RULES AND REGULATIONS**

**4. CONNECTIONS FOR SERVICE - EXTENSION OF FACILITIES (continued)**

If the Company requests a CIAC from an Applicant 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 rata refund during the three-year period immediately following completion of the extension.

Any CIAC, customer advance, or other like amounts received from the customer that constitute taxable income as defined by the Internal Revenue Service may include a gross up for federal income taxes. To the extent that federal taxes are not included in the CIAC, they shall be segregated in a deferred account for inclusion in rate base in a future rate case proceeding.

Where evidence is found that Company facilities or service lines, meters, or other appurtenances on the customer's premises have been tampered with, the customer 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. In addition, where the tampering has resulted in improper measurement of the service supplied, the customer shall be required to pay for such natural gas service, including interest at the late-payment charge rate, and all applicable costs and fees associated with collecting such charges based on the Company's estimate, from available information, of the amount of gas used but not registered by the Company's meters.

The customer shall pay the Company for any repairs to or any loss of the Company's property on the premises when such repairs are necessitated, or loss occasioned, by the willful acts or negligence on the part of the customer or failure to comply with the rules and regulations under which service is furnished.

**RULES AND REGULATIONS****5. DISCONTINUANCE AND TERMINATION OF SERVICE**

The authorized agents of the Company shall at all reasonable times have free access to the premises of the customer with the right to shut off the gas and remove its property from the premises for any of the following reasons: failure to permit access to meters, service connections or other property of the Company for the purpose of replacement, maintenance, repair or meter reading; nonpayment of any undisputed delinquent bills due for existing or any previous service; tampering with the meter or connections; fraudulent representation in relation to the consumption of gas; removal of Applicant from the premises; selling or delivering gas to other occupants of the premises without application to the Company; failure to make or increase any deposit; failure to provide a guarantee of payment or establish credit; want of supply or waste of gas from customer's lines or appliances; failure to comply with amortization or settlement agreements; and failure to comply with or violation of Tariff Rules and Regulations. However, service may not be discontinued or terminated under any circumstances except under Commission Regulations or PA Statute(s) in effect and applicable at the time of such contemplated discontinuance.

The Company may immediately terminate service for any of the following actions by the customer: unauthorized use of the service delivered on or about the affected dwelling; fraud or material misrepresentation of the customer's identity for the purpose of obtaining service; tampering with meters or other public utility's equipment; or violating tariff provisions on file with the Commission so as to endanger the safety of a person or the integrity of the public utility's delivery system. Upon termination for such reasons, the Company will make a good faith attempt to provide a post termination notice to the customer or a responsible person at the affected premises, and, in the case of a single meter, multiunit dwelling, the Company will conspicuously post the notice at the dwelling, including in common areas when possible.

Unless otherwise authorized by the Commission, after November 30 and before April 1, the Company will not terminate service to residential customers with household incomes at or below 250% of the federal poverty level except for: 1) customers whose actions are grounds for immediate termination, as described above, and 2) any person receiving gas service as a User without Contract. The Company will use financial information from the customer provided within their most recent twelve month period to determine if a customer exceeds the 250% federal poverty level.

The Company may terminate service for nonpayment of billings for service provided under this tariff or for NGS supply charges purchased by the Company under the purchase of receivables provisions set forth in Rate SBS of the Company's Supplier Tariff.

If service is terminated, the same customer, whether an Applicant or customer as defined in the Commission's regulations or PA Statutes, shall pay a reasonable turn-on fee for resumption of service at the same address after termination. The turn-on fee for Residential customers is \$56. This fee is waived for customers at or below 150% of the federal poverty level. The turn-on fee for Commercial customers is \$115. The turn-on fee for Industrial customers shall be an amount equal to the customer charge for each month of the intervening period since service was terminated.

Upon discontinuance or termination of service, the customer or its agent shall be responsible to winterize the premises to withstand winter conditions, which actions may include, but not limited to, draining plumbing systems, adding insulation and alternative heating units. The Company shall not be responsible for any damages resulting from the customer, or its agent, as a result of a failure to winterize the property.

The Company reserves its rights to use any and all remedies at law to collect any outstanding debts, including, but not limited to, filing a Complaint in civil court seeking a judgment of record for the debt, with interest and recovery of court costs, attorneys' fees and other collection expenses incurred in the process.

**6. TERMINATION OF CUSTOMER'S CONTRACT**

In case a writ of execution shall be issued against a customer, or in case the premises described or referred to in the contract as the place at which gas is to be delivered or consumed, or the personal property upon said premises shall be levied upon under execution, or in case of any acts of assignment, filing of involuntary or voluntary petitions in bankruptcy, or any action in court for the reorganization of any corporation, partnership, or other customer, the contract, at the option of the Company, shall cease and terminate, and all claims for retail or transportation service previously provided or amounts purchased from a NGS through the purchase of receivables provisions set forth in Rate SBS of the Company's Supplier Tariff shall become forthwith due and payable without notice from said Company to the extent permissible under applicable bankruptcy statutes and Commission regulations.

**RULES AND REGULATIONS****7. LEAKS AND WASTE**

The customer shall use all due care to prevent a waste of gas. It is the responsibility of the customer to exercise all due care in the detection of defects and leaks, and in case of failure or deficiency of gas, leakage, excess pressure, or other dangerous developments incident to the handling of gas under pressure, the customer agrees to give immediate notice thereof to the Company, and his failure to do so, should loss follow, shall be conclusive evidence of his contributory or comparative negligence.

**8. NONLIABILITY OF COMPANY**

The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control.

In all other circumstances, including but not limited to failure to furnish a sufficient supply of gas or failure to transport the customer's gas to the customer, the liability of the Company to customers or other persons for damages, direct or consequential, including damage to equipment and appliances, loss of business, or loss of production caused by any interruption or variation in supply or pressure, or any other failure in the supply of natural gas shall in no event, unless caused by the willful and/or wanton misconduct of the Company, exceed an amount in liquidated damages equivalent to the greater of \$500 or two times the charge to the customer for the service affected during the period in which such interruption or variation in supply or pressure, or any other failure in the supply of natural gas occurs.

The Company makes no warranty as to merchantability or fitness for a particular purpose, express or implied, by operation of law or otherwise. To the extent applicable under the Uniform Commercial Code or on any theory of contract or products liability, the Company limits its liability in accordance with the previous paragraph to any Customer or third party for claims involving and including, but not limited to, strict products liability, breach of contract, and breach of actual or implied warranties of merchantability or fitness for an intended purpose.

For the purposes of this Rule, all pipe, fittings, and appliances, and associated materials/equipment on the customer's side of the curbstop or shutoff valve of the service pipes which connects with the Company's main line are the property and responsibility of the customer, and in no event shall the Company be liable for any injury to person or property arising there from.

**9. MEASUREMENT OF GAS**

All gas delivered shall be measured by meter. The term "Mcf," as used in the Company's schedule of rates, shall mean 1,000 cubic feet of gas at no more than 8 ounces above an assumed atmospheric pressure of 14.4 pounds at whatever temperature the gas may be during the period of measurement. If gas is supplied from a low-pressure distribution system in which the pressure of the gas is regulated not to exceed 8 ounces, the measurement will be at whatever pressure the gas may be during the period of measurement. If gas is delivered from a high-pressure system, measurement will be corrected to a pressure base of 14.73 psia. If measurement is corrected for temperature, measurement will be corrected to 60°F.

The measurement of gas by meter shall be conclusive on the customer and the Company, excepting that from the time the meter is found to be defective or ceases to register, until the meter is repaired, the gas delivered shall be estimated by the average of another meter, or by the amount delivered by meter during a previous corresponding period under similar conditions. In the event of the customer's dissatisfaction with the registration of the meter, the Company will, upon request, accompanied by the fee specified in the regulations of the Commission, have the same removed, sealed, and tested and results of the test given to the customer upon request. If the meter so tested shall be found to be inaccurate within the limits specified in the regulations of the Commission, the Company shall refund the charge for such test.

**10. BILLING AND PAYMENT**

No entity providing billing may share or use information concerning individually negotiated rates of a customer, which has been acquired only through the entity's role as a billing agent, with another customer or any third party without the prior written authorization of the Company. The Company shall offer a separate payment option for residential customers to equalize monthly payment amounts.



**RULES AND REGULATIONS****10. BILLING AND PAYMENT (continued)**

No entity providing billing may share or use information concerning individually negotiated rates of a customer, which has been acquired only through the entity's role as a billing agent, with another customer or any third party without the prior written authorization of the Company. The Company shall offer a separate payment option for residential customers to equalize monthly payment amounts.

**Billing Options**

The Company will offer two billing options: (1) the issuance of a bill by the Company which contains the NGS charges; or (2) the issuance of a bill that contains only the Company's charges, in which case the NGS will bill the customer separately for NGS charges. The right of a customer to receive a separate bill from his/her NGS for the NGS' charges is subject to the ability of the NGS to provide a separate bill and the terms under which the NGS may offer to provide a separate bill.

**Allocation of Payments**

Under billing option (1), the following order for the application of partial payments shall apply to all residential customers and to non-residential customers unless the contract between the non-residential customer and the NGS provides for a different method:

- a. Pre-existing Company balance;
- b. Current Company charges;
- c. NGS charges;
- d. Non-basic service charges (including but not limited to warranty charges);
- e. Hardship energy fund contribution.

**Residential and Commercial Customers**

Bills will be rendered and be payable once each month. Amounts due for gas services must be made in one of the following formats: cash at a valid payment center, credit card, debit card, atm card, or personal check, business check, or money order issued by a properly licensed financial institution, or other commercially acceptable form of payment as determined by the Company. The Company may read any meter once each month, but ordinarily it will read meters of residential and commercial customers once every two months. As to any customer whose meter is read once every two months, the volumes consumed for the first month of each bimonthly meter reading period shall be determined by estimation, on the basis of the customer's previous service, adjusted for weather conditions, and the volumes consumed for the second month of each bimonthly meter reading period shall be determined by subtracting the first month's estimated volumes from the total actual volumes consumed or delivered for the bimonthly period as shown by the meter. The bill for each month shall be the result of applying to the volumes consumed or delivered, the applicable rates, charges, and penalties (if any) set forth in this tariff.

Upon request, the Company will supply any customer with an option upon which he may record his meter reading at the end of the first month of each bimonthly meter reading period, and if such reading is received by the Company within two days after the close of such billing month, the bill for such month will be computed from the meter reading provided by the customer instead of by estimate. The Company will adjust estimates of bills for changes in conditions of which it has been notified in advance by a customer.

A bill will be rendered to each residential and commercial customer on account of each meter. Bills will be rendered as nearly as possible on the same day of every month and shall be payable upon presentation. The Company reserves the right to reassign customers into a different billing cycle and the timing of the issuance of the monthly bill may be altered. A bill shall be deemed delinquent if it is not paid by the due date. The due date for residential and commercial customers shall be twenty (20) days after the date of mailing the bill unless the Company agrees to an extension. Delinquent residential accounts shall be subject to a late-payment charge of one and one-half percent (1 ½%) per month for bills not paid within five days after the due date. Delinquent commercial accounts shall be subject to a late-payment charge of one and one-half percent (1 ½%) per month. Late-payment charges will be based on delinquent charges for services provided under this tariff or for NGS supply charges purchased by the Company under the purchase of receivables provisions set forth in Rate SBS of the Company's Supplier Tariff. Payment of bills may be made at authorized collection offices or agencies of the Company during the regular business hours thereof. Payment may be deemed to have been made on the date it is received at any such office or, if remittance is made by mail, on the date of the official U.S. Postal Service postmark.

**RULES AND REGULATIONS****10. BILLING AND PAYMENT (continued)****Industrial Customers**

Bills will be rendered and be payable once each month. A bill will be rendered to each industrial account. Bills will be rendered as nearly as possible on the same day of every month and shall be payable monthly upon presentation. The Company reserves the right to reassign customers into a different billing cycle and the timing of the issuance of the monthly bill may be altered. An industrial customer's bill shall be deemed delinquent when it remains unpaid after the payment due date specified on the bill. A payment received from a customer owing a previous balance shall be applied first to the previous balance and only after such previous balance has been fully paid shall any balance of the payment be applied to the current bill. Industrial accounts shall be subject to a late-payment charge of two percent (2%) per month if the bill is not paid in its entirety on or before the payment due date specified on the bill, which shall be fifteen (15) days after the date of mailing the bill. Late-payment charges will be based on delinquency charges for services provided under this tariff or for NGS supply charges purchased by the Company under the purchase of receivables provisions set forth in Rate SBS of the Company's Supplier Tariff.

**Final Bill**

At the time the Company receives a notice, which notice must be received at least seven days in advance, to discontinue service or transfer service from one customer to another, the Company may provide customers with the options to have the Company read the meter, have the disconnecting and reconnecting customer read the meter, or receive an estimated final reading if the Company's actual read parameters have been met in the previous months. The Company will read the meter if the two customer readings are significantly different. The Company will inform the customer that if they elect the customer meter reading and the customer fails to provide the Company with an acceptable reading in a timely manner, the Company may estimate the final meter reading. The Company will make reasonable efforts to obtain actual meter readings: (a) when the Company has insufficient data to estimate the Customer's usage; (b) when, in the case of a transfer of service, disconnect and reconnect orders are executed on different days; and (c) when the customer, at least seven days prior to the disconnect order date, specifically requests that the meter be read. The Company reserves the right to establish a Customer's usage for a final bill whenever the Company is unable to gain access to its meter on the disconnect order date. The Company will accept meter readings from customers for final bills if the customer reading is provided in a timely manner and if, upon review, the Company finds the customer reading to be reasonable and consistent with prior usage levels. Notwithstanding the foregoing, the Company may not discontinue service unless in compliance with the Rules, Regulations or Orders of the Pennsylvania Public Utility Commission pertaining thereto and in effect at the time of such discontinuation.

**Dishonored Payment**

If the Company receives a negotiable instrument from an Applicant or 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 fee of \$25.

**11. AUTHORITY OF AGENTS**

No agent or employee of the Company has authority to make any promise, agreement, or representation not incorporated in its rules and regulations, and no promise, agreement, or representation shall bind the Company unless in writing, signed by an officer of the Company.

**RULES AND REGULATIONS****ADDITIONAL RULES FOR RETAIL CUSTOMERS ON LINES  
OUTSIDE OF DISTRIBUTION SYSTEMS (RULES 12-14)****12. CONDITIONS UNDER WHICH SERVICE WILL BE RENDERED**

Applications for service from a transmission, gathering, or storage line outside of the Company's distribution system will not be accepted unless such line is being operated in a manner which will permit gas to be served to the Applicant without interference with the Company's operation. Applications will be accepted only with the understanding that the use or manner of use of the Company's line from which gas is to be supplied is not permanent and that service to the Applicant is subject to temporary or absolute change or discontinuance at the sole discretion of the Company which may at any time remove, repair, or change the use or manner of operating said line after having first canceled the service contract with the Applicant by thirty days written notice to him. The customer agrees that the Company shall have the right to discontinue service for any such reason or in accordance with any other published rule or regulation of the Company, and the customer further agrees that during the term of service the Company shall not be liable for any deficiency in the supply of gas caused by the use of compressing stations, breakage of lines, or other causes or for any claim for damages on account of any matters set forth in this paragraph, subject to the terms and conditions of Rule 8 of this tariff. Every Applicant must obtain adequate and suitable written rights-of-way and regulator sites, and permit copies thereof to be made before the Company will make any tap or connection for service or install any regulating apparatus for Applicant.

**13. CONNECTION FOR SERVICE AND RESPONSIBILITY THEREFOR**

The Company will furnish gas service from a transmission, gathering, or storage line, subject to the conditions of Rule 12, Rule 14, and its other rules and regulations, at the varying pressures at which the line is operated from time to time. The Applicant assumes all risks from variation in pressure, defects in pipe, connections, and appliances, from the escape and leakage of gas, from the sticking of valves and regulators, and from the burning of gas on his premises and like causes incident to the use of gas. The Applicant shall provide at his own expense and risk the necessary service line from the place of consumption or other mutually agreed upon delivery point to a point designated by the Company near the Company's pipe line from which gas is to be supplied for safely conducting the gas from the stop or shutoff valve on the connection which the Company will make with its pipe line to the place of consumption or other mutually agreed upon delivery point.

**14. COST OF CONNECTION**

The Company will at its own cost tap its line and furnish and lay a service line terminating with a stop or shutoff valve at or near the point designated by it under Rule 13. Connection for service will be made under Rule 4.

**SPECIAL RULES APPLICABLE TO INDUSTRIAL CUSTOMERS (RULE 15-16)**

All service to industrial customers is made subject to the following special rules. The foregoing rules are also applicable to such service unless inconsistent with the following rules.

**RULES AND REGULATIONS****15. METERS AND REGULATORS**

All gas delivered to the customer shall be delivered at and measured by a standard meter to be placed by the Company upon the customer's premises or at another delivery point, as determined by the Company. The said meter or meters and any necessary regulators shall be owned by the Company, and the Company shall pay the cost of keeping the meters and regulators in repair; customer will furnish and maintain suitable building or buildings for same but said meters and regulators shall be at all times open to inspection of both the Company and the customer for the purpose of seeing that they are in a condition of good repair. The customer, or owner of the property where the meter is located, shall not construct any structure(s) on, or around the meter, or permit any obstruction that blocks or encumbers access to the meter. In the event a meter is obstructed and the Company is unable to obtain access, the Company may take necessary action to obtain access to the meter and the Company shall not be liable for any damage or loss to the property of the customer or the property owner.

All meters shall be owned by the Company, and said meters and any regulators in connection therewith shall be at all times open to inspection by both the Company and the customer for the purpose of seeing that they are in condition of good repair. The meter providing service to the customer's premises shall be placed on the property located on the premises. Any meter located on property owned by a third-party who is not the customer or the owner of the real property where the premises is located, shall be relocated to an appropriate location that complies with this Rule.

**16. RESPONSIBILITY FOR FIRE, EXPLOSIONS, AND FAILURE OF SUPPLY**

The Company shall not be responsible for any lines laid beyond the meter; shall not be held liable for any damage or loss to person or property resulting from explosions or fire or from use of gas in the works of the customer; and shall not be liable for failure to furnish a sufficient supply of gas or for failure to transport the customer's gas to the customer for his purpose arising from any cause not the result of the willful and/or wanton misconduct of the Company, subject to the terms and conditions of Rule 8 of this tariff.

**17. EMERGENCY CURTAILMENT**

This rule has been adopted pursuant to regulations of the Commission set forth at Pa. Code §§59.71 – 59.75 entitled 'Gas Emergency Plans'.

The definitions for terms used in this Rule 17 shall be shown in Appendix A hereto.

An emergency exists whenever the aggregate demand of firm service customers on the Company's system or confined segment of the system exceeds or threatens to exceed the gas supply or capacity that is actually and lawfully available to the Company to meet the demands, and the actual or threatened excess creates an immediate threat to the Company's system operating integrity with respect to Priority-One customers. If this occurs, the Company may require each commercial and industrial customer, who is not a Priority-One customer, to reduce its consumption of gas. The reduction required shall be determined by the Company without regard to priorities of use, as necessary to minimize the potential threat to public health and safety; however, the authorized volume shall provide only the minimum volume of firm service necessary for the prevention of damage to plant equipment.

When all other service has been curtailed except for Priority-One service and the Company continues to be unable to meet Priority-One requirements, the Company shall exercise its judgment as to any further curtailment that may be necessary and shall utilize measures designed to minimize harm to customers if curtailments to plant protection use are found to be necessary.

**RULES AND REGULATIONS****17. EMERGENCY CURTAILMENT (continued)**

The Company will specify in a notice of emergency curtailment the authorized daily consumption until further notice. An emergency curtailment may be made after oral notice to the customer effective when so given and confirmed in writing within 48 hours thereafter.

If a customer exceeds its authorized consumption during a period of emergency curtailment, then a customer shall be subject to penalties as set forth below:

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

The Company shall have the right to waive any penalty for unauthorized use of gas.

The number of days of emergency curtailment multiplied by the authorized daily consumption volume shall be the customer's authorized consumption for the emergency curtailment period. The Company will determine actual consumption during the emergency curtailment period by actual measurement at the beginning and end of the emergency curtailment.

**Discontinuance of Service and Curtailment**

When the evidence available to the Company reasonably indicates that a customer is using gas in violation of this rule or an order of the Commission, the Company will discontinue all service to such customer unless the use causing such violation is discontinued within ten days after written notice from the Company. This provision shall not affect the Company's right or obligation to discontinue service under other provisions of this tariff, the rules and regulations of the Pennsylvania Commission, or for any other lawful right or reason. The Company will inform the Commission of any termination pursuant to this rule.

**RULES AND REGULATIONS****17. EMERGENCY CURTAILMENT (continued)**Appendix A to Rule 17DEFINITIONS FOR TERMS USED IN EMERGENCY CURTAILMENT

1. Alternate Fuel: Any fuel other than natural gas.
2. Alternate Fuel Capability: The installed and operable ability to use any fuel other than natural gas on a time sensitive basis.
3. 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.
4. Critical Uses: Gas usage where natural gas is the only feasible form of energy due to its combustion characteristics, controllability, or chemical properties.
5. Essential Human Needs Use: Gas usage by customers for service to any buildings where persons normally dwell, including but not limited to residences, apartment houses, dormitories, hotels, hospitals, and nursing homes.
6. Firm Service: Natural gas service offered to consumers under tariffs or contracts that anticipate no interruption.
7. 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.
8. Interruptible Service: Natural gas services that can be temporarily discontinued under terms and conditions specified by tariff or contract.
9. NGDC: Natural gas distribution company.
10. NGS: Natural gas supplier.
11. Noncritical Use: Gas usage where natural gas is not the only feasible form of energy, that is, where the user has alternate fuel capability.
12. Plant Protection Use: Minimum usage of natural gas required to prevent physical harm to an industrial or commercial consumer's facility, or danger to personnel at the facility when such protection cannot be afforded through the use of an alternate fuel. Plant protection use includes usage necessary for the protection of the material in process as would otherwise be destroyed, but does not include deliveries required to maintain production.
13. Residential Use: Gas usage in a residential dwelling or unit for space heating, air-conditioning, cooking, water heating, or other domestic purposes.

**RULES AND REGULATIONS****18. PRIORITY OF SERVICE CURTAILMENT**

Upon issuance of an order to initiate priority-based curtailments, the available gas supplies to the Company shall be allocated among its customers in accordance with the priorities of use listed below. Customers in higher priority will not be curtailed until all customers falling into the lower classifications have been completely curtailed; where only partial curtailment of any one classification is required, the implementation of curtailment shall be prorated, to the extent possible under the circumstances, based upon recent consumption data. The ability to curtail a Priority-One customer is not affected by whether the customer pays for standby service under Rate GS-SB. Following are the priority categories and subcategories listed in descending order. Small commercial and industrial customers as described below are those customers that use less than 25,000 Mcf per year. Large commercial and industrial customers as described below are those customers that use 25,000 Mcf per year or more:

1. a. Residential.
1. b. Firm critical commercial essential human needs.
2. a. Firm small commercial requirements, excluding critical essential human needs requirements in category 1., firm large commercial and industrial requirements for plant protection, and operational facilities of electric distribution companies.
- 2.b. Firm small industrial requirements.
- 2.c. Firm large critical commercial and industrial requirements, excluding firm critical commercial essential human needs requirements in category 1 and excluding firm large commercial and industrial requirements for plant protection in category 2.
- 2.d. Firm large noncritical commercial and industrial requirements other than requirements for boiler fuel use.
- 2.e. Firm large noncritical commercial and industrial requirements for boiler fuel use.
- 2.f. Contractually interruptible use.

**19. SALES OF GAS FOR RESALE**

All gas sales to residential customers are to the ultimate purchaser and are not to be resold for profit.

**20. SERVICE AGREEMENT & FLEXIBLE RATES**

Service agreements for delivery services are not required unless the customer consumes more than 50,000 Mcf per year or has negotiated a delivery 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 points 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.

Specific components of a customer's rate may be lowered or waived if such an adjustment is required to meet competition from an alternative fuel source, for economic development purposes, or for service to new facilities. Determination of eligibility for a flexible rate will be made by the Company and execution of a contract by the customer. When the discount is based on competition from an alternative fuel source, the customer will be required to certify the existence of the alternative fuel source. Electricity delivered by an electric distribution company shall not constitute a competitive alternative for purposes of natural gas flex rate eligibility or amount, unless the electric distribution company offers an electric flexed distribution rate to the customer. Prior to flexing distribution charges for distribution service customers, the Company may reduce charges that are for recovery of balancing charges, AVC capacity charges, and/or the retainage percentage applied to the gas received on behalf of the distribution service customer.

**RULES AND REGULATIONS****SPECIAL RULES APPLICABLE TO ALTOONA  
AND JOHNSTOWN AND VICINITY (Rules 21 and 22)****21. CONNECTION FOR SERVICE**

In the city of Altoona, Blair County, and the city of Johnstown, boroughs of Ferndale, Westmont, Lorain, Dale, Southmont, and townships of Lower Yoder, Upper Yoder, and Stony creek, and vicinity in Cambria County, and not elsewhere, the following rule has been adopted and is applicable in place of Rule 4 above: The meter and all pipes, fittings, and stop cocks furnished by the Company on the premises shall remain the property of the Company which shall have the free right and privilege of ingress and egress at all reasonable times, to lay, maintain, inspect, operate, repair, and finally reclaim its property and for reading and change of meters.

**22. LEAKS AND WASTE**

In the city of Altoona, Blair County, and the city of Johnstown, boroughs of Ferndale, Westmont, Lorain, Dale, Southmont, and townships of Lower Yoder, Upper Yoder, and Stonycreek, and vicinity in Cambria County, and not elsewhere, the following rule has been adopted and is applicable in place of Rule 7 above: The customer shall use all due care to prevent waste of gas. It is the responsibility of the customer to exercise all due care in the detection of leaks and defects in the service pipes, meter, fittings, and stop cocks on the customer's premises and in case of failure or deficiency of gas, leakage, excess pressure, or other dangerous developments incident to the handling of gas, the customer agrees to give immediate notice thereof to the Company at its office and to take the necessary precaution to prevent explosion and fire, and the failure of the customer to do so, should loss or injury follow, shall be evidence of the customer's negligence and shall relieve the Company from liability for such loss or injury.

**23. ORDER OF GAS DELIVERIES THROUGH THE METER FOR BILLING PURPOSES**

For purposes of billing more than one type of service provided by the Company to a customer through one meter, the following order of application of rates shall be used:

- a. Rate GS-T
- b. Firm Retail or Standby
- c. Rate CER

**24. OPERATIONAL FLOW ORDERS**

To the extent the Company issues an operational flow order (OFO) pursuant to Rule 4 of its Supplier Tariff, a transportation customer shall comply (or direct its NGS to comply) with the same OFO conditions, including the penalty provisions, outlined in the Company's Supplier Tariff Rule 4. The Company may waive the penalties applicable under the Company's Supplier Tariff Rule 4, for transportation customers.



**RULES AND REGULATIONS****25. SELECTION OF NGS**

- a. When the Company receives notice that a customer has elected to switch NGSs or to 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 billing cycle.
- b. Customers can obtain information at any time on the ability to select an NGS other than the Company by contacting the Company via letter, phone, e-mail, or by visiting the Company's internet web site. The Company will also periodically mail to customers information on the opportunity to choose an alternate supplier.
- c. Disclosure Requirements: If a customer selects an NGS, the customer should note that the NGS is required pursuant to the Commission's Customer Information Disclosure Guidelines at Docket No. M-00991249F0005, to disclose certain information to the customer, including but not limited to, agreed-upon pricing in the Company's standard pricing unit, conditions of pricing availability, the length of the agreement, cancellation provisions, and the three-day right of rescission.
- d. Selection and Set-up: The customer, or person or entity that is authorized to act on the customer's behalf, should contact their chosen NGS to initiate the request. When a customer, person or entity authorized to act on the customer's behalf contacts the Company with a request, the Company will inform such party to contact the NGS directly. After the Company has received notification from the NGS of the customer's request, the Company shall mail out a confirmation letter to the customer by the end of the next business day after the date the Company receives notification by the NGS of the new customer, asking the customer to notify the Company if information in the confirmation letter is inaccurate. Such confirmation letter shall include the customer's NGS, the applicable billing option, the approximate date when service from the new NGS will begin and the date that the first bill will be mailed, and notification that service may be terminated for failure to pay NGS supply charges. The confirmation letter also shall include the notice of a five (5) day waiting period in which the request may be cancelled by the customer before the change of the NGS takes place. The five (5) day waiting period shall start on the day the confirmation letter is mailed.

Should the Company receive notification from customer within the five (5) calendar days required under the confirmation letter that customer'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 customer of such error, the Company shall continue billing customer under customer's current billing arrangement. Should the Company receive notification from customer that customer'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 customer to contact the NGS to request cancellation and if requested by customer the Company will treat this as an alleged slamming complaint under Rule 26.

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

**RULES AND REGULATIONS****26. COMPLAINT PROCEDURES**

- a. General Complaints - Inquiries and complaints from any customer will be received and processed in a timely manner. Residential customer inquiries and complaints will be handled in conformance with Chapter 56 of the Commission's Rules. When a customer inquiry or complaint relates to services provided by an NGS, the Company will refer the customer to the NGS for a response. If a customer inquiry or complaint involves issues or services provided by both the Company and the customer's NGS, the Company will coordinate the response to the customer inquiry or complaint from both parties. If a customer is dissatisfied with the Company's response, or indicates dissatisfaction with the NGS's response to the customer with respect to the NGS's services, the Company will inform the customer of the right to file an informal appeal with the Bureau of Consumer Services (BCS) at the Commission and provide the customer with the toll-free telephone number and mailing address of the Commission.
- b. Alleged Slamming Complaints – To the extent a customer contacts the Company and alleges that its Supplier has been changed without the customer's consent, the Company shall:
  - i. Consider the matter a customer registered dispute;
  - ii. Investigate and respond to the dispute consistent with the requirements found in §§56.151 and 56.152 (relating to utility company dispute procedures) of the Commission's regulations.
  - iii. Within 10 days of notification or mailing of a utility company report, customer may file an informal complaint with BCS at the Commission.
  - iv. Potential Remedies Available to Customer:
    1. If the customer's dispute has been registered within the first two billing periods since the customer should reasonably have known of a change of suppliers and the dispute investigation establishes that the change occurred without the customer's consent, the Company shall return the customer to the previous commodity provider. Further, the customer will not be responsible for any supplier charges rendered during that period and the company responsible for initiating the change of supplier shall issue a complete refund within 30 days of the close of the dispute. The refund or credit provision shall only apply to the supplier.
    2. Further, the BCS or the Commission may direct that a customer who has had a supplier changed without having consented to that change may be switched back to the original supplier for no additional fee. Any charges involved in the switch back to the prior supplier shall be the responsibility of the company that initiated the change without the customer's consent.

In addition to customer-specific remedies, the Commission may, after investigation and decision, assess fines pursuant to Chapter 33 of the Public Utility Code, 66 Pa. C.S. §§3301, et seq., and initiate proceedings to revoke the license of any supplier that demonstrates a pattern of violating the Commission regulations. The Commission may order a particular supplier that has a pattern of violating the Commission regulations to obtain written authorization from every new customer as a condition of providing service in this Commonwealth.

**RULES AND REGULATIONS****27. REQUEST FOR INFORMATION**

- a. Upon customer request, the Company shall provide to its residential and small business customers appliance energy efficiency information that is readily available to the Company.
- b. Upon request, the Company shall provide to a residential or small business customer or the customer's designee, historical billing data, to the extent such information is readily available on Company's billing system. Historical billing data shall be conveyed in Mcf, and associated charges for the current billing period, and for the year preceding the current billing period. The initial request per year shall be provided at no charge to customer.

**28. RELEASE OF CUSTOMER INFORMATION**

- a. The Company shall notify residential and small business customers of its intent to release private customer information before it releases such information to a third party, excluding those instances noted below in paragraph (c). The notification to customer shall provide a convenient method of notifying the Company of the customer's desire to restrict the release of the private information. Customer shall be permitted to restrict information as specified in this section by returning a signed form, orally or electronically. If the customer changes its election on the restriction of the release of information, the customer must inform the Company in a signed form. The Company shall use its best efforts to ensure that any request or a change in request for restricted information be processed in a timely and expeditious manner.

For all other customers, the Company will not disclose customer information to a third party, excluding those instances noted below in paragraph (c), without the consent of the customer.

Nothing herein shall preclude the Company from releasing aggregated customer information or non-private customer information to a third-party.

- b. Residential and small business customers may request that the release of its private information be restricted based on one of the following two restrictions:
  - i. Restrict the release of only the customer's historical billing data in the Company's standard pricing unit, or
  - ii. Restrict the release of all private customer information including name, billing address, service address, rate sub-class, account number and historical billing data in the Company's standard pricing unit.

If customer does not choose to restrict the release of information based on one of the two restrictions above, then all of the customer's private information may be released to a third party except for the telephone number. Telephone numbers may not be released to third parties under any circumstances.

- iii. Nothing in this section prohibits the Company from performing its mandatory obligations to provide natural gas service as specified in the disclosure statement and in the Public Utility Code.
- c. The Company may release private information to (i) law enforcement officers, as part of a legal process (such as in response to a warrant, subpoena, or grand jury investigation issued by a court or governmental agency); (ii) to contractors providing utility-related services on behalf, of Peoples, but only to the extent necessary to render the service and subject to confidentiality and security obligations; (iii) to governmental agencies with jurisdiction over Peoples, when they require such information; (iv) to a third-party bill payment company, for the sole purpose of facilitating electronic payments to a natural gas account as requested by a customer; (v) to others as required by court order or by applicable laws, rules, or regulations governing Peoples; and (vi) to credit reporting agencies, and to collection agencies (if a natural gas account is assigned for collection).

**RULES AND REGULATIONS**

**28. RELEASE OF CUSTOMER INFORMATION (continued)**

- d. The Company will retain Personal Information for as long as is reasonably necessary to meet its business needs and regulatory and compliance obligations.

**29. AUTHORIZATION**

A customer may identify persons authorized to make changes to the customer's account. To accomplish this, the customer must provide the Company with a signed document identifying, by name, those persons who have the authority to initiate any change to the customer's account, including a change of the customer's NGS.

**30. RULES PART OF CONTRACT**

These rules (1 to 29, inclusive), insofar as applicable, are hereby made a part of any contract for public utility service provided by the Company.

**Contact Information**

A Customer is responsible for providing, and updating when necessary, accurate contact information including telephone number(s), billing address and email addresses, if provided. If a customer's contact information changes and the customer does not timely provide updated contact information, the Customer agrees and understands that the Company shall not be liable for any notices, statements or other communications that are otherwise undeliverable to the Customer.

The Company may use contact information to reach the customer to discuss their natural gas account, to respond to an inquiry that the customer sent to the Company or to keep the customer informed about the services, products and programs offered by the Company, and its affiliates and partners. By providing an e-mail address to the Company, the customer consents to receive communications from the Company electronically. If the customer provides the Company with a cell phone number, the customer expressly agrees that the Company may contact the customer at this number to discuss their natural gas account. The customer also agrees to receive, from the Company and the Company's service providers, calls and messages, including prerecorded messages, calls from automated dialing systems and text messages. Normal cell phone charges may apply.

**RULES AND REGULATIONS****31. GAS QUALITY**

Unless otherwise agreed to by the Company through separate agreement, gas delivered by a supplier or producer shall not contain more than:

- (a) Seven (7) pounds of water per million cubic feet on an approved dew point apparatus.
- (b) Two (2) percent by volume of carbon dioxide.
- (c) Four (4) percent by volume total inerts including carbon dioxide, nitrogen, argon, and helium provided that total carbon dioxide content shall not exceed two (2) percent by volume.
- (d) Twenty-five hundredths (0.25) grains of hydrogen sulfide per 100 cubic feet.
- (e) Ten (10) grains of total sulfur per 100 cubic feet.
- (f) Two tenths (0.2) percent by volume oxygen.

Gas delivered into the Company's system should be free from oil, water, salt, gum, dust, and other foreign substances that might interfere with the marketability of the gas. Unless otherwise agreed to by the Company, the gas delivered shall contain not less than 967 Btu per cubic foot and shall not exceed 1,100 Btu per cubic foot (as determined by calorimeter test @ 60 degrees Fahrenheit and saturated with water vapor). Gas accepted by the Company that contains less than 967 Btu per cubic foot will be enhanced to ensure that gas delivered by the Company to customers shall meet Commission heating value requirements and the Company may charge for this.

**32. OTHER FEES AND SERVICES**

The following customer requested services will require a fee as defined below:

Temporary Customer Service Line Installation – If service to a premises would be discontinued due to a customer service line leak and gas service is required to serve essential human needs, the customer or occupant may request the installation of a temporary customer service line. If the Company is able to install such a line, at the occupant's or customer's request, the Company may charge a fee of \$300. The line shall be placed only for a temporary period and the Company reserves the right to identify the temporary period and remove the line if that period is exceeded.

Excess Flow Valve – 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.

High Bill Investigation Fee – At the Customer's request, the Company will provide a scheduled visit to the customer's home to conduct an investigation into the usage measured and billed to the Customer for service. If the investigation identifies an error in the measurement of gas used or the customer's income is at or below 150% of the federal poverty level, the fee will be waived. The fee for this service is \$75. This fee is not applicable to foreign load investigations.

**RATE RS**  
**RESIDENTIAL SERVICE****AVAILABILITY**

This rate is available to residential customers (other than those that the Company determines shall acquire service under Rate GS-SB) located throughout the territory described in the "Description of Territory" in this tariff and shall be applied to consumption for each month determined in accordance with Rule 10.

This rate will be used for provision of supplier of last resort service to residential customers.

**RATE TABLE**

Customer Charge per meter per month	\$14.50
Delivery Charge per Mcf	\$3.9608

The currently effective gas cost charges under Rider Purchased Gas Cost and all charges under other applicable tariff riders are set forth on the Summary of Rates located on Page No. 3 of this tariff.

**MINIMUM MONTHLY BILL**

The minimum monthly bill per meter shall be the customer charge per customer per month. In the event of an emergency curtailment in the delivery of gas by the Company to a customer pursuant to Rule 17, or complete or partial suspension of operation by the customer due to fire, flood, explosion, or other similar acts of God, the minimum monthly bill may be reduced in direct proportion to the ratio of the number of days of curtailed service or complete or substantial suspension of operation to the number of days in the billing period.

**SURCHARGES**

All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

The Company will assess a late payment charge of 1.50 percent per month when the Company receives the customer's full payment more than five days after the bill's due date. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.

**RULES AND REGULATIONS**

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

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when such waiver may occur is when the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the customer's load characteristics.

**CUSTOMER ASSISTANCE PROGRAM (CAP)****AVAILABILITY**

Rate CAP is a program designed to enroll residential customers who satisfy the criteria set forth below. Please refer to Peoples' Universal Service and Energy Conservation Plan on file with the PA PUC for a full description of the CAP program terms and conditions. In addition to the terms and conditions in this Tariff, Peoples' Universal Service and Energy Conservation Plan shall govern the provision of service under this rate category

1. Processing and verification by authorized agencies upon referral by the Company's offices, Customer Assistance Referral Evaluation Service (CARES) representatives, other agencies, or BCS.
2. Customer of the Company and using natural gas for space heating.
3. Annual income no greater than 150 percent of the federal poverty level. The Company will accept a customer's participation in an electric CAP program as verification of income, if the Company is satisfied that the electric company verifies income. For payment purposes, the customers will be defined as follows:
  - a. Group A - Customers whose annual income has been verified as being from 0 to 50 percent of poverty.
  - b. Group B - Customers whose annual income has been verified as being from 51 to 100 percent of poverty.
  - c. Group C - Customers whose annual income has been verified as being from 101 to 150 percent of poverty.
4. A customer who meets the eligibility criteria for the Low Income Home Energy Assistance Program (LIHEAP) should complete an application for a LIHEAP grant when available.
5. The company will monitor the usage of CAP customers on an ongoing basis. Any unjustified excess CAP usage or unjustified CAP credit (designed as the difference between the CAP payment amount, and the current charges as billed under Rate RS) that exceeds a maximum of \$1,000 per year will be billed to the CAP customer. An increase in CAP usage or annual CAP credit over \$1,000 may be justified if the CAP customer can demonstrate the household has experienced the addition of a family member; a member of the household experienced a serious illness; energy consumption was beyond the ability of the household to control; or the household is located in housing that is or has been condemned or has housing code violations that negatively affect energy consumption. Before responsibility for the excess CAP usage is imposed on the household, the Company shall notify the customer of the grounds for exemption and assure that the customer has received and understands the grounds for exemption. **(C)**
6. Agreement by customer to apply for any other energy assistance programs, if available, as referred to by the Company.
7. Customers will automatically be enrolled in CAP if:
  - a. the customer has defaulted on a payment arrangement, and
  - b. the customer has received a LIHEAP payment within the past two years.

**(C) – Indicates Change.**

**CUSTOMER ASSISTANCE PROGRAM (CAP)****RATE TABLE (C)**

Customers will pay a specified percentage of their monthly income or \$25/month, whichever is greater. The applicable percentage by Group follows:

<u>Group</u> <sup>1</sup>	<u>Percentage</u>	
A	4%	(D)
B	5%	(D)
C	6%	(D)

If the customer's monthly CAP payment, as calculated above, exceeds the otherwise applicable monthly budget payment amount, the monthly budget payment amount will be accepted as the CAP payment. The Company will review any customer account where usage exceeds 125% of the customer's annual usage. In cases where the Company determines that the increase in a CAP customer's usage is unjustified, the Company will provide the customer with conservation information, refer the customer to a usage reduction program, and bill the customer for excess usage.

**PAYMENTS TOWARD ARREARAGE (C)**

In addition to the customer's obligation under the Rate Table above, the customer also shall make payments of \$5 per month toward any pre-program arrearage.

**SURCHARGES**

All riders to this tariff, as would otherwise be applicable to Rate RS with the exception of Rider Universal Service.

**LATE-PAYMENT CHARGES**

No late-payment charges shall be applied to arrearages existing at the time the customer begins receiving service under Rate Schedule CAP. Late-payment charges will not be applied during participation in the CAP program.

1/ Defined under Availability Criteria 3.

(C) – Indicates change.

(D) – Indicates decrease.



**CUSTOMER ASSISTANCE PROGRAM (CAP)****RULES AND REGULATIONS (C)**

1. Customer with earned income must recertify income eligibility biennially. Customers with only certain fixed incomes, such as social security, pension and disability must recertify income eligibility triennially. Customers reporting zero income using the Company's zero income form must recertify within 6 months. **(C)**
2. If, at any time after acceptance into CAP, a customer's family size or income changes, the customer must notify the Company of the change within 30 days of the change. Failure to do so may result in the Company ending the customer's opportunity to receive service under CAP.
3. If a customer no longer satisfies the criteria set forth under Availability, with the exception of Item 4, the customer will no longer be eligible to receive service under CAP.
4. At the time of application for CAP, the customer will be advised of the importance of timely payments and energy conservation. The CAP screening administrator will review relevant assistance programs and offer help in applying for programs such as weatherization or energy assistance as appropriate. Energy saving tips will be provided and all participants will be advised that usage will be reviewed on an ongoing basis. Unjustified excess CAP usage will be billed to the CAP customer.
5. If a customer fails to allow access to the Company's meter or fails to provide meter readings in four consecutive months, the customer will no longer receive service under CAP.
6. Failure to make payments will result in the Company returning the participant to the regular collection cycle and may lead to termination of service. To avoid termination, the participant must pay the amount set forth in the termination notice prior to the scheduled termination date.
7. A customer whose service has been terminated pursuant to Rule 5 may be required to pay all CAP arrearages prior to reinstatement and will be advised of appropriate energy assistance programs, including LIHEAP, LIHEAP Crisis and Dollar Energy Fund, which are available to assist in restoration of service. **(C)**
8. Customers who have been dropped from CAP for the reasons outlined above will be subject to normal termination procedures. The customer will receive a communication providing an opportunity to correct the problem before being removed from CAP.

(C) – Indicates change.

**PILOT EXTENDED CUSTOMER ASSISTANCE PROGRAM (E-CAP)**

This Rate is established as a Pilot and will close for new participation three years after this rate is approved by the Commission. All provisions of Rate CAP will additionally apply to participants of E-CAP.

**AVAILABILITY**

Rate E-CAP is a program designed to enroll residential customers who satisfy the criteria set forth below.

- a. Customer of the Company, using natural gas for space heating, who has a significant delinquent balance, broken payment arrangement, termination notice or lack of utility service.
- b. Annual income verified annually as being between 151 and 200 percent of the federal poverty level.
- c. Agreement by customer to apply for any other energy assistance programs, if available, as referred to by the Company and before enrolling in E-CAP.

**RATE TABLE**

Customers will pay 11% of their monthly income as their E-CAP Payment. If the customer's monthly E-CAP payment exceeds the otherwise applicable monthly budget payment amount, the monthly budget payment amount will be accepted as the E-CAP payment.

(C)

**PAYMENTS TOWARD ARREARAGE**

In addition to the customer's obligation under the Rate Table above, the customer also shall make payments of \$5 per month toward any pre-program arrearage.

**SURCHARGES**

All riders are applicable to this tariff, as would otherwise be applicable to Rate RS, with the exception of Rider Universal Service.

**LATE-PAYMENT CHARGES**

No late-payment charges shall be applied to arrearages existing at the time the customer begins receiving service under Rate Schedule E-CAP. Late-payment charges will not be applied during participation in the E-CAP program.

(C) – Indicates change.

**RATE SGS**  
**SMALL GENERAL SERVICE****AVAILABILITY**

This rate is available to commercial, industrial, and NGDC customers consuming less than 1,000 Mcf annually (other than those that the Company determines shall acquire service under Rate GS-SB or those that use natural gas as a motor vehicle fuel), located throughout the territory described in the "Description of Territory" in this tariff and shall be applied to consumption for each month determined in accordance with Rule 10.

This rate will be used for provision of supplier of last resort service to all commercial, industrial and NGDC customers.

For purposes of this Rate SGS schedule, Transitional Industrial customers shall consist of Peoples Division Industrial Ratepayers that took service on the Peoples Division Rate SGS rate schedule as of October 29, 2019. No other customers will be eligible for the Transitional Industrial rates. In addition, Transitional customers will not retain their Transitional status upon any discontinuance of service and will not be able to transfer their Transitional status to any other entity. These transitional customers may switch between rate schedules based upon their usage.

**RATE TABLE**

Customer Charge per meter per month:

For customers (including Transitional Industrial) with annual consumption less than 500 Mcf	\$20.00
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For customers (including Transitional Industrial) with annual consumption equal to or greater than 500 Mcf but less than 1,000 Mcf	\$40.00
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Delivery Charge per Mcf	\$2.7000
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Delivery Charge per Mcf – Transitional Industrial customers	\$2.5012
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The currently effective gas cost charges under Rider Purchased Gas Cost and all charges under other applicable tariff riders are set forth on the Summary of Rates on page No. 3 of this tariff.

**RATE SGS**  
**SMALL GENERAL SERVICE**

**MINIMUM MONTHLY BILL**

The minimum monthly bill per meter shall be the customer charge per customer per month. In the event of an emergency, curtailment in the delivery of gas by the Company to a customer pursuant to Rule 17, or complete or partial suspension of operation by the customer due to fire, flood, explosion, or other similar acts of God, the minimum monthly bill may be reduced in direct proportion to the ratio of the number of days of curtailed service or complete or substantial suspension of operation to the number of days in the billing period.

**SURCHARGES**

All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 1.50 percent per month for commercial customers and 2.00 percent per month for industrial customers shall be applied for failure to make payment in full for all charges billed by the Company by the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.

**RULES AND REGULATIONS**

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

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when such waiver may occur is when the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the customer's load characteristics.

**ISSUED: October 7, 2019**

**EFFECTIVE: October 29, 2019**

**RATE MGS**  
**MEDIUM GENERAL SERVICE****AVAILABILITY**

This rate is available to commercial, industrial, and NGDC customers consuming between 1,000 and 24,999 Mcf annually (other than those that the Company determines shall acquire service under Rate GS-SB or those that use natural gas as a motor vehicle fuel), located throughout the territory described in the "Description of Territory" in this tariff, and shall be applied to consumption for each month determined in accordance with Rule 10.

The Company shall determine the annual consumption of each MGS customer in order to assess the appropriate customer charge. This rate will be used for provision of supplier of last resort service to commercial, industrial, and NGDC customers.

For purposes of this Rate MGS schedule, Transitional Industrial customers shall consist of Peoples Division Industrial Ratepayers that took service on the Peoples Division Rate MGS rate schedule as of October 29, 2019. No other customers will be eligible for the Transitional Industrial rates. In addition, Transitional customers will not retain their Transitional status upon any discontinuance of service and will not be able to transfer their Transitional status to any other entity. These transitional customers may switch between rate schedules based upon their usage.

**RATE TABLE**

Customer Charge per meter per month:

For customers (including Transitional Industrial) with  
annual consumption equal to or greater than  
1,000 Mcf but less than 2,500 Mcf

\$85.00

For customers (including Transitional Industrial) with  
annual consumption equal to or greater than  
2,500 Mcf but less than 25,000 Mcf

\$130.00

Delivery Charge per Mcf

\$2.6914

Delivery Charge per Mcf – Transitional Industrial customers

\$2.2663

The currently effective gas cost charges under Rider Purchased Gas Cost and all charges under other applicable tariff riders are set forth on the Summary of Rates located on Page No. 3 of this tariff.

**RATE MGS  
MEDIUM GENERAL SERVICE**

**MINIMUM MONTHLY BILL**

The minimum monthly bill per meter shall be the customer charge per customer per month. In the event of an emergency curtailment in the delivery of gas by the Company to a customer pursuant to Rule 17, or complete or partial suspension of operation by the customer due to fire, flood, explosion, or other similar acts of God, the minimum monthly bill may be reduced in direct proportion to the ratio of the number of days of curtailed service or complete or substantial suspension of operation to the number of days in the billing period.

**SURCHARGES**

All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 1.50 percent per month for commercial customers and 2.00 percent per month for industrial customers shall be applied for failure to make payment in full for all charges billed by the Company by the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.

**RULES AND REGULATIONS**

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

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when this charge may be waived is if the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the load characteristics of the customer.

**RATE LGS**  
**LARGE GENERAL SERVICE**

**AVAILABILITY**

This rate is available to commercial, industrial, and NGDC customers consuming greater than 25,000 Mcf annually (other than those that the Company determines shall acquire service under Rate GS-SB or those that use natural gas as a motor vehicle fuel), located throughout the territory described in the "Description of Territory" in this tariff, and shall be applied to consumption for each month determined in accordance with Rule 10.

The Company shall determine the annual consumption of each LGS customer in order to assess the appropriate customer charge. This rate will be used for provision of supplier of last resort service to commercial, industrial, and NGDC customers.

For purposes of this Rate LGS schedule, Transitional Industrial customers shall consist of Peoples Division Industrial Ratepayers that took service on the Peoples Division Rate LGS rate schedule as of October 29, 2019. No other customers will be eligible for the Transitional Industrial rates. In addition, Transitional customers will not retain their Transitional status upon any discontinuance of service and will not be able to transfer their Transitional status to any other entity. These transitional customers may switch between rate schedules based upon their usage.

**RATE TABLE**

Customer Charge per meter per month:

For customers (including Transitional Industrial) with annual consumption equal to or greater than 25,000 Mcf but less than 50,000 Mcf	\$575.00
For customers (including Transitional Industrial) with annual consumption equal to or greater than 50,000 Mcf but less than 100,000 Mcf	\$750.00
For customers (including Transitional Industrial) with annual consumption equal to or greater than 100,000 Mcf but less than 200,000 Mcf	\$1,400.00
For customers (including Transitional Industrial) with annual consumption equal to or greater than 200,000 Mcf	\$1,600.00

**Delivery Charge per Mcf**

For customers with annual consumption equal to or greater than 25,000 Mcf but less than 50,000 Mcf	\$2.6411
For customers with annual consumption equal to or greater than 50,000 Mcf but less than 100,000 Mcf	\$2.5773
For customers with annual consumption equal to or greater than 100,000 Mcf but less than 200,000 Mcf	\$2.5694
For customers with annual consumption equal to or greater than 200,000 Mcf but less than 750,000 Mcf	\$2.4999
For customers with annual consumption equal to or greater than 750,000 Mcf but less than 2,000,000 Mcf	\$2.1327
For customers with annual consumption equal to or greater than 2,000,000 Mcf	\$1.6445

**Transitional Industrial Delivery Charge per Mcf**

For customers with annual consumption equal to or greater than 25,000 Mcf but less than 50,000 Mcf	\$2.1931
For customers with annual consumption equal to or greater than 50,000 Mcf but less than 100,000 Mcf	\$2.1583
For customers with annual consumption equal to or greater than 100,000 Mcf but less than 200,000 Mcf	\$2.1395
For customers with annual consumption equal to or greater than 200,000 Mcf but less than 750,000 Mcf	\$2.0535
For customers with annual consumption equal to or greater than 750,000 Mcf but less than 2,000,000 Mcf	\$1.7553
For customers with annual consumption equal to or greater than 2,000,000 Mcf	\$1.6445

The currently effective gas cost charges under Rider Purchased Gas Cost and all charges under other applicable tariff riders are set forth on the Summary of Rates located on Page No. 3 of this tariff.

**ISSUED: October 7, 2019****EFFECTIVE: October 29, 2019**

**RATE LGS**  
**LARGE GENERAL SERVICE**

**MINIMUM MONTHLY BILL**

The minimum monthly bill per meter shall be the customer charge per customer per month. In the event of an emergency curtailment in the delivery of gas by the Company to a customer pursuant to Rule 17, or complete or partial suspension of operation by the customer due to fire, flood, explosion, or other similar acts of God, the minimum monthly bill may be reduced in direct proportion to the ratio of the number of days of curtailed service or complete or substantial suspension of operation to the number of days in the billing period.

**SURCHARGES**

All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 1.50 percent per month for commercial and NGDC customers and 2.00 percent per month for industrial customers shall be applied for failure to make payment in full for all charges billed by the Company by the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.

**RULES AND REGULATIONS**

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

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when this charge may be waived is if the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the load characteristics of the customer.



**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**AVAILABILITY**

This service is available to provide for the delivery of transportation volumes to residential, commercial, (other than those that use natural gas as a motor vehicle fuel), industrial, and natural gas distribution company customers regulated by the Commission. Priority-one customers (as defined in Rule 17), must purchase standby service in accordance with the terms and conditions of GS-SB.

**RULES AND DELIVERY TERMS**

- (1) The entity to whom the Company delivers the transported gas shall be considered the customer under this rate schedule. The customer is responsible for paying the Company's bill unless the Company agrees to receive payment from a third party.
- (2) Any customer consuming less than 500 Mcf per year who wishes to acquire transportation service may do so as long as the customer agrees to collectively pool supplies for balancing purposes on the Company's System, in order to make provision of transportation service to these small consumers administratively feasible.
- (3) A single-entity customer is a customer with multiple meters and/or multiple locations within the Company's service territory which, in the sole determination of the Company, shall be recognized as one customer for administrative purposes. Any retail or standby service shall be billed as if an equal amount of gas passed through each meter of the single-entity customer each month. Only one bill will be issued each month to a single-entity customer.
- (4) The customer will pay for any investment costs required to receive the customer's 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.
- (5) A Transportation Agreement, as prepared by the Company, must be executed by the customer(s) with competitive alternatives to whom Rate GS-T is made available at less than maximum rate. This Agreement shall be for a minimum term of one year, unless the Company agrees otherwise. This Agreement may set forth the maximum daily volumes that may be transported and other negotiated conditions of service.
- (6) This service will be provided by the Company only if the customer provides gas of reasonable quality to the Company. The volumes, pressures, and receipt points will be agreed upon by the parties in advance and set forth in the Transportation Agreement or in the Company's pooling agreement with the NGS providing gas supply service to the customer.
- (7) Unless otherwise agreed to by the customer and the Company, the customer or its NGS is responsible for all arrangements required to acquire and to deliver the customer's natural gas to the receipt points set forth in the Transportation Agreement.
- (8) On those days when the transportation gas of an individual industrial customer who uses at least 50,000 Mcf annually is not received into the Company's system at its nominated level, or if the said transportation customer has failed to arrange for deliveries to be made into the Company's system on its behalf, and the Company determines that it may not be able to satisfy all the demands of its firm retail and transportation customers without exceeding its pipeline contract level, then the Company may declare an "upset day."

On an upset day, those customers described in this subparagraph No. 8, whose transportation volumes are not received at all or at the nominated level into the Company's system shall be restricted to the following consumption levels:

- 1) Transportation gas volumes received by the Company on the customer's behalf on that day; and

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**RULES AND DELIVERY TERMS (Continued)**

- 2) All standby volumes contracted for the month by the customer.

Transportation customers whose nominated daily volume are received in whole by the Company shall not be affected by the provisions in this subparagraph No. 8.

At least six hours prior to the beginning of an "upset day," the utility will provide notice to any one of three persons designated by the customer. After contact is attempted by the Company with the three persons designated by the customer, the Company will be deemed to have satisfied its notice obligations.

- (9) Unless otherwise agreed under paragraph (17) below, the Company will arrange its utilization of available capacity by endeavoring to fairly accommodate, to the extent practicable, the interests of its retail and transportation customers.
- a. Available System Capacity for Transportation Service: Capacity for the transportation of customer-owned gas is available on the Company's system to the same extent as capacity is available for the general system supplies that the Company acquires for its retail customers, except where operational constraints may require otherwise. Those operational constraints can include the safety of persons or property and the displacement of locally produced or purchased retail gas supplies.
  - b. Actual Unavailability of or Restrictions on Capacity: In the event that capacity on the Company's system either is unavailable for the transportation of customer-owned gas or is available but restricted, the Company will provide its transportation customer or the customer's designated representative with a written explanation of why capacity is unavailable or restricted and the steps examined by the Company to alleviate the unavailability or restriction. Where capacity is restricted, the Company will allocate capacity to its transportation customers without regard to the sources of the customers' natural gas supplies.
  - c. Anticipated Unavailability of or Restrictions on Capacity: Whenever the Company anticipates that an extraordinary activity or occurrence will make capacity either unavailable or available but restricted, the Company will provide written notice to Pennsylvania producers, as early as possible, of the specific portions of the Company's system on which capacity may be unavailable or available but restricted and of the length of time that the unavailability or restriction likely will last.
- (10) As soon as practical after the customer learns of any disruption or interruption in its supply of gas, the customer shall notify the Company.
- (11) The measurements at the point of receipt and delivery shall be the responsibility of the Company. All quantities of gas received, transported, and delivered shall be expressed in terms of "Mcf." A customer's gas received by the Company in Btus will be converted to Mcf using the current applicable conversion factor as determined annually in the Company's 1307(f) proceeding.
- (12) The Company shall retain 5.9 percent of the total volume of gas received into its system on behalf of all (D) customers as gas used in Company operations and for unaccounted-for gas under Transportation Agreements that have been or are entered into pursuant to this rate, except in the following circumstances, where the Company may exercise its discretion to waive retainage in conjunction with a positive cost/benefit analysis:

(D) Indicates Decrease.

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**RULES AND DELIVERY TERMS (Continued)**

- 1) If customer can obtain alternate transportation service via direct bypass;
- 2) If customer receives transportation service through Company-owned facilities which do not produce the retainage percentage set forth in this rate schedule;
- 3) If customer has a competitive offer from a non-PUC-jurisdictional entity;
- 4) If customer can demonstrate economic development or job retention considerations are present; or
- 5) If customer has a bona fide competitive offer from an alternative energy source.

As used in this rate schedule, "alternative energy source" shall not include natural gas service from other Natural Gas Distribution Companies.

- (13) Customer-owned locally produced gas received into the Company's system will be available as nominated by the customer or his agent in the current month. Nominations will be accepted if determined to be reasonable by the Company. Reconciliation of the actual volumes delivered to the Company's system to nominated volumes will be made in the first month available.

(14) Monthly Balancing Provisions Applicable to Rate GS-T Customers Not Served by a Pool

The Company will bank for one month following the month that the customer's gas is available for the customer's use, up to 3.5 percent of the volumes delivered on the customer's behalf (net of the payback of advanced gas). Banked gas shall precede current deliveries of gas through the customer's meter during the month following the banking period. The Company will balance customer's daily deliveries with customer's actual daily consumption during the month. The Company will advance up to 3.5 percent of the volumes received on the customer's behalf in any month. The first gas received on the customer's behalf in the succeeding month will be deemed the payback of advanced gas. Any difference between the customer's consumption and deliveries shall be subject to the following charges:

Negative Monthly Imbalance - A negative imbalance fee will be assessed on consumption by the customer in excess of gas deliveries plus gas advanced and any contracted for standby service. The negative imbalance volume will be sold by the Company at the highest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month multiplied by 120%. Volumes sold by the Company are subject to applicable taxes.

Positive Monthly Imbalance - If the customer fails to use at least 96.5 percent of the volumes delivered to the Company on customer's account in any month, then the Company may buy the gas which has remained in the bank longer than the banking period or in excess of the amount used and banked in the month from the customer. The positive imbalance volume will be purchased by the Company at the lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month multiplied by 85%.

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**RULES AND DELIVERY TERMS (Continued)**

A balancing charge will be assessed against each Mcf of gas transported for small and medium general service customers and for large general service customers. This rate will be recalculated in each of the Company's annual 1307(f) gas cost proceedings. The currently effective balancing charges are reflected on Tariff Page Nos. 3 and 4. (C)

The balancing charge will not be assessed if (1) the customer is already paying the standby charge under Rate Schedule GS-SB on the same volumes or (2) if the customer or pool can match its supply and actual consumption on a daily basis in a manner satisfactory to the Company.

- (15) Backup service is available to customers under this rate schedule only under Rate GS-SB, unless the customer qualifies for service under Rate CER or unless otherwise agreed under paragraph (17) below.
- (16) The Company reserves the right, as a condition of service under this rate schedule, to require any customer requesting service under this rate schedule to install and bear the costs of enhanced metering capability. The Company also reserves the right to require installation of such metering capability, at the customer's expense, as a condition of continuation of service under this rate schedule.
- (17) When the customer purchasing service under this rate is using natural gas for generating power or steam for use by third parties, customer and the Company may require a separate (operating) agreement by which the customer and the Company will agree to, among other things, set limits on hourly or daily consumption; require provision of notice of customer's specific plans concerning intent to consume natural gas, the volume that will be used, the time period of which such consumption will occur, and when usage will end; establish criteria for interruption of all or part of customer's planned consumption, whether through transportation or retail service; establish penalties for failure of customer to adhere to agreed-upon usage levels or to interrupt consumption as agreed upon by the parties; agree upon the availability of retail service; and establish and impose any other rules or restrictions necessary to ensure reliable service for all customers.
- (18) The Company will from time to time make pipeline capacity available for release to transportation customers. Each release transaction will be made in accordance with and subject to applicable pipeline tariff requirements and necessary regulatory requirements.

(C) Indicates Change.

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**RATE TABLE**

Customer Charge - The Company shall determine the annual consumption of each General Service customer in order to assess the appropriate customer charge.

\$14.50	Customer Charge per month per meter for all Residential customers.
\$20.00	Customer Charge per month per meter for all NGDC customers consuming less than 500 Mcf annually.
\$40.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 500 Mcf but less than 1,000 Mcf.
\$85.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 1,000 Mcf but less than 2,500 Mcf.
\$130.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 2,500 Mcf but less than 25,000 Mcf.
\$575.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 25,000 Mcf but less than 50,000 Mcf.
\$750.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 50,000 but less than 100,000 Mcf
\$1,400.00	Customer Charge per month per meter for NGDC customers with annual consumption equal to or greater than 100,000 Mcf but less than 200,000 Mcf.
\$1,600.00	Customer Charge per month per meter for NGDC customers with annual consumption greater than 200,000 Mcf annually.

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

Delivery Charge, Per Mcf - the delivery charge will be negotiated by the Company and the customer and expressed in the Transportation Agreement.

The following is the maximum charge per Mcf for transportation service:

For Residential Service Customers	\$3.9608
For Small General Service Customers	\$2.7000
For Medium General Service Customers	\$2.6914
For Large General Service Customers with annual consumption greater than 25,000 Mcf but less than 50,000 Mcf	\$2.6411
For Large General Service Customers with annual consumption greater than 50,000 Mcf. but less than 100,000 Mcf	\$2.5773
For Large General Service Customers with annual consumption greater than 100,000 Mcf. but less than 200,000 Mcf	\$2.5694
For Large General Service Customers with annual consumption greater than 200,000 Mcf. but less than 750,000 Mcf	\$2.4999
For Large General Service Customers with annual consumption greater than 750,000 Mcf. but less than 2,000,000 Mcf	\$2.1327
For Large General Service Customers with annual consumption greater than 2,000,000 Mcf	\$1.6445

The following is the maximum charge per Mcf for transportation service for Transitional Industrial Customers:

For Small General Service Customers	\$2.5012
For Medium General Service Customers	\$2.2663
For Large General Service Customers with annual consumption greater than 25,000 Mcf. but less than 50,000 Mcf	\$2.1931
For Large General Service Customers with annual consumption greater than 50,000 Mcf. but less than 100,000 Mcf	\$2.1583
For Large General Service Customers with annual consumption greater than 100,000 Mcf. but less than 200,000 Mcf	\$2.1395
For Large General Service Customers with annual consumption greater than 200,000 Mcf. but less than 750,000 Mcf	\$2.0535
For Large General Service Customers with annual consumption greater than 750,000 Mcf. but less than 2,000,000 Mcf	\$1.7553
For Large General Service Customers with annual consumption greater than 2,000,000 Mcf	\$1.6445

**RATE GS-T**  
**GENERAL SERVICE – TRANSPORTATION**

The delivery charge will be assessed on all volumes at the time of delivery to the customer, including current transportation and storage volumes withdrawn and delivered to the Company. A transportation standby charge will be applicable to all volumes transported under Rate Schedule GS-T for Priority One customers (refer to Rate Schedule GS-SB).

The currently effective gas cost charges under Rider Purchased Gas Costs and all charges under other applicable tariff riders are set forth on the Summary of Rates located on Page No. 3 of this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 1.50 percent per month for residential customers will be made for failure to make payment in full for all charges billed by the Company within five days after the due date shown on the bill. A late-payment charge of 2.00 percent per industrial customers and 1.50 percent per month for commercial and NGDC customers shall be applied for failure to make payment in full for all charges billed by the Company by the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges. The overdue portion of the bill may include NGS supply charges purchased by the Company under the purchase of receivables provisions set forth in Rate SBS of the Company's Supplier Tariff.

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION****SURCHARGES**

All applicable riders to this tariff.

**CURTAILMENT**

Service under this rate may be curtailed when gas supply shortages force the Company to invoke emergency curtailment provisions pursuant to Tariff Rule No. 17 because gas supply to Priority-One customers is threatened. Under this circumstance, the transportation customer must agree to sell its gas supply to the Company at either the customer's city gate price or at the Company's average gas cost contained in the prevailing 1307(f) rate applicable to that class of customer, whichever is greater, to be used to supply the needs of Priority-One customers.

**LIABILITY**

1. The Company shall not be liable for disruption of service under this rate or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate, or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.
2. Gas shall be and remain the property of the customer while transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.
3. The Company shall not be liable for any loss to the customer arising from or out of service under this rate, including loss of gas in the possession of the Company or any other cause, except upon gross negligence or willful misconduct of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with that of other suppliers and customers.
4. The Company will not be liable for disruption along upstream pipelines, or disruption caused by the Company's inability to physically receive the gas.
5. If service furnished pursuant to this rate is disrupted, the Company will notify the customer as soon as it is reasonably practicable. If delivery of volumes is disrupted for any of the above reasons, the Company shall not be liable for delivering said volumes at a later date.

**ARRANGEMENT OF INTERSTATE TRANSPORTATION**

At the request of a customer, other than an NGDC, the Company will act as its agent for arranging transportation of customer-owned gas by an interstate pipeline(s). The Company will bill the customer the applicable pipeline tariff rate(s) for any interstate transportation billed to the Company in its role as customer's agent for arranging interstate transportation.

**ACCESS TO STORAGE SERVICE****(C)**

The Company shall provide Non-Priority One customers and suppliers with access to storage capacity held by the Company on the Allegheny Valley Connector ("AVC") system, an interstate pipeline system subject to the regulation of the FERC, that was previously provided under Rate ST and ST-SW. Non-Priority One customers and suppliers shall have the annual option to accept all or a portion of such access to storage capacity offered by the Company. Unless Company and customer agree otherwise, Company shall not release more than 1/12<sup>th</sup> of the customer's annual usage. Company's release of such capacity shall, in all respects, be in accordance with the FERC Gas Tariff governing service on the AVC system and the applicable rules and regulations of FERC regarding the release of capacity, including FERC's posting and bidding requirements. The Non-Priority One customer or supplier is responsible for paying the pipeline for the capacity assigned under these provisions, which payments shall include all applicable surcharges for service on the AVC system. The Company shall not reimburse the Non-Priority One customer or supplier for these pipeline capacity charges.

(C) Indicates Change.



**RATE GS-SB**  
**GENERAL SERVICE - STANDBY****AVAILABILITY**

This service is available to transportation service customers served under Rate GS-T and/or customers who need or use the Company as backup service to service from an alternate supplier.

**RULES AND DELIVERY TERMS****Priority-One Transportation Customers**

Priority One customers must pay for standby service through a transportation standby charge applicable to all volumes transported under Rate Schedule GS-T. Backup service for Priority-One customers shall be provided pursuant to the applicable retail rate schedules.

**Non-Priority-One Transportation Customers**

The customer may execute a Standby Contract for a specified monthly volume. The term of the Standby Contract will be a minimum period of not less than one year. Customers that execute a Standby Contract will pay for standby service through a capacity charge applicable to contracted for monthly volumes and through a standby commodity charge applicable to all standby volumes actually purchased under Rate Schedule GS-SB.

**Back-up Standby Service**

If a customer is using the Company as back-up service to service from an alternative supplier, the Company shall charge the customer the standby service fees set forth in the rate table below. The Company reserves the right to determine when and the level to which a customer is using the Company as a backup supplier. In situations where the alternative supply is from local well production and before the Company provides backup standby service under the terms of this rate schedule, the Company shall have the right to inspect the pipeline and related facilities of the customer and require that the customer install, at its own expense, any necessary equipment to protect the integrity and safe operation of the Company's system.

**RATE TABLE****Capacity Charges Applicable under the Rate Schedule:**

RS Capacity Charge per Mcf	\$1.0301 (D)
SGS Capacity Charge per Mcf	\$1.0301 (D)
MGS Capacity Charge per Mcf	\$1.0301 (D)
LGS Capacity Charge per Mcf	\$1.0301 (D)

**Standby Charges for Priority One Transportation Customers**

For customers that pay the capacity charge, the Company may release pipeline capacity, the terms of which will be pursuant to the capacity-release terms of the Company's Supplier tariff and this rate schedule.

Priority-One customers who take service under this rate schedule, or their agents, must take assignment of a pro-rata or other agreed upon share of the pipeline and storage capacity and Pennsylvania produced gas supplies ("assigned capacity") that would otherwise be utilized by the Company to meet the customer's service requirements. Assigned capacity shall be subject to recall pursuant to the conditions described in the Company's Supplier Tariff, in which case the Company will provide for the delivery of necessary gas supplies pursuant to the terms of this rate schedule. More specific terms with respect to capacity assignment requirements may be set forth in the Company's Supplier Tariff and in its contracts with Priority One NGSSs. However, such additional terms with respect to capacity assignment requirements shall be subject to review in the Company's annual Section 1307(f) proceeding.

(D) Indicates Decrease.

ISSUED: September 29, 2023

EFFECTIVE: October 1, 2023

**RATE GS-SB**  
**GENERAL SERVICE - STANDBY**

**RATE TABLE**Standby Charges For Non Priority One Customers With a Standby Contract

Standby volumes delivered to the customer will be billed at the applicable supplier of last resort rates, excluding the pipeline demand component that has been paid through the capacity charge up to the contracted for monthly volumes in the standby contract. Volumes consumed in excess of contracted for volumes will be billed using the imbalance fee formula shown in Rate GS-T, paragraph 13, plus applicable taxes.

Customers Using The Company as a Back-up Supplier

Any customer using the Company as back-up service to service from an alternative supplier shall be subject to the charges set forth below. The following charges shall be assessed in lieu of any other standby charges applicable under this rate schedule.

Monthly Capacity Charge – In order to recover demand related purchased gas costs incurred by the Company, the customer shall be charged a monthly capacity charge equal to the customer's projected annual natural gas usage divided by twelve and multiplied by the capacity charges set forth above in this Rate Table. The projected annual natural gas usage shall reflect the estimated volumes assuming that all of the customer's natural gas consumption is served by the Company. The Company may waive this fee if the customer is receiving gas supplies from a NGS and the customer can demonstrate that its NGS has agreed to serve its peak day usage requirements. This charge will be assessed instead of the Capacity Charge applicable under other rate schedules.

Standby Customer Charge – In order to recover the fixed non-purchased gas charges incurred by the Company, the customer shall be charged a standby customer charge on a monthly basis. The standby customer charge shall be the monthly Customer Charge otherwise applicable under other rate schedules.

**SURCHARGES** - All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 1.50 percent per month for residential customers will be made for failure to make payment in full for all charges billed by the Company within five days after the due date shown on the bill. A late-payment charge of 1.50 percent per month for commercial and NGDC customers and 2.00 percent for industrial customers will be made for failure to make payment in full for all charges billed by the Company by the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.

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**RATE NGPV**

**NATURAL GAS POWERED VEHICLES**

**AVAILABILITY**

This rate schedule applies to use of natural gas retail or transportation service as a motor vehicle fuel to the operator of a public fueling station.

**RULES AND DELIVERY TERMS**

If transportation service is provided hereunder, the applicable rules and delivery terms under rate schedule GS-T apply.

**RATES**

Retail or Transportation service provided to an operator of a public fueling station, shall be made pursuant to a contract for service under this rate schedule. The contract may provide for a negotiated customer charge and either a fixed commodity charge or a methodology for determining the commodity charge.

If retail service is provided hereunder, the negotiated rate shall be no lower than the Company's average cost of gas, as determined from the Company's Section 1307(f) gas cost calculation. Any gas cost revenue collected as a result of providing retail service under this rate schedule will be reflected in the Company's 1307(f) mechanism.

Gas purchased under this rate schedule shall be separately metered and not used interchangeable with gas purchased under any other schedule.

**SURCHARGES**

All applicable riders to this tariff.

**LATE PAYMENT CHARGE**

A late-payment charge of 1.50 percent shall be applied for failure to make payment in full, for all charges billed by the Company, by the due date shown on the bill.

**RULES AND REGULATIONS**

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

**RATE APPALACHIAN GATHERING SERVICE****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 and transmission system, provided that:

- (1) a Master Interconnect and Measurement Agreement ("MIMA") has been executed between the Company and the party; and
- (2) the party is in compliance the MIMA, the provisions of this Rate Schedule and with all other provisions of this Tariff.

**RATES**

The gathering rate is \$0.26 per Mcf, plus applicable retainage\*.

If a conventional producer adds incremental conventional production to the Peoples' system, that producer's incremental production shall qualify for a reduced Rate AGS fee equal to 50% of the effective monthly Rate AGS fee.

Incremental conventional production is any conventional production that is not connected to the Company's facilities as of June 15, 2019 and shall not include any existing production delivered to Peoples' system and subsequently acquired by the producer from any other producer. Incremental conventional production shall also include increased production volumes from existing conventional wells as a result of well stimulation or similar actions. The level of incremental production volumes from existing wells shall be determined by the Company based on supporting information provided to the Company by the producer.

Gathering of natural gas from unconventional sources, including but not limited to, horizontally drilled Marcellus and Utica shale gas and landfill gas, shall be negotiated and agreed to within the MIMA.

**TERM**

The terms for gathering service shall be a set forth in the MIMA.

**CHARACTER OF SERVICE**

The Company's only obligation under this Rate Schedule shall be to receive gas from any gathering receipt point and to permit that gas to flow against the existing pressure in the Company's facilities. Peoples 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 Item 24 of the Rules and Regulations of this Tariff. Nothing in this Rate Schedule shall limit the Company'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),(I)

\* The current applicable retainage rate is 2.3% for all conventional production and is negotiable for unconventional production.

(C) Indicates Change, (I) Indicates Increase, (D) Indicates Decrease.

**ISSUED: September 30, 2020**

**EFFECTIVE: October 1, 2020**

**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 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.

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**RATE CER**  
**COMPETITIVE ENERGY RATE**

**AVAILABILITY**

This Rate Schedule CER - Competitive Energy Rate is a firm service available in the Company's sole discretion to residential, commercial, and industrial customers who would not request service from the Company but for the availability of service under this rate and whose competitive options are not solely limited to other NGDCs.

**RULES AND DELIVERY TERMS**

Any qualified customer taking service under this Rate Schedule shall do so by agreement.

The agreement shall set forth the percentage of consumption to be made available under this rate schedule. Volumes taken by the customer in excess of the percentage specific on this contract shall be billed at applicable retail rates.

The magnitude of service hereunder shall not exceed that service replaced or subject to replacement.

**RATE**

The rate will be negotiated between the customer and the Company and may be subject to periodic redetermination. The negotiated rate shall be no lower than the Company's commodity cost of gas at the time the contract is negotiated, as determined from the Company's Section 1307(f) gas cost calculation.

**SURCHARGES**

All applicable riders to this tariff.

**LATE-PAYMENT CHARGE**

A late-payment charge of 2 percent per month for industrial customers and 1.50 percent for commercial customers will be made for failure to make payment in full, for all charges billed by the Company, by the due date shown on the bill. A late-payment charge of 1.50 percent per month for residential customers will be made for failure to make payment in full within five days after the due date shown on the bill. This charge is to be calculated on the overdue portion of the bill, excluding any unpaid late-payment charges.



**RIDER**  
**STATE TAX SURCHARGE**

There shall be added to gas bills rendered by the utility for retail gas service a surcharge percent applied to the delivery charge under all rate schedules served by this tariff to reflect changes and new taxes imposed by the General Assembly. The currently effective surcharge percentage is reflected on Tariff Page Nos. 3 and 4. (C)

The utility will recompute this surcharge whenever any of the tax rates used in calculation of the surcharge are changed. Any recomputation of this surcharge will be submitted to the Commission within ten days after the occurrence of the event or date which occasions such computation. If the recomputed surcharge is less than the one then in effect, the utility will, and if the recomputed surcharge is more than the one then in effect, the utility may, accompany such recomputation with a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be ten days after filing.

(C) Indicates Change

**ISSUED: September 30, 2021**

**EFFECTIVE: October 1, 2021**

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**COMPUTATION OF PURCHASED GAS COSTS****(C)**

The purchased gas cost rates for Residential, Commercial, and Industrial Service customers shall be computed to the nearest one-hundredth cent (0.01¢) in accordance with the formula set forth below:

$$\text{Demand} = \frac{DC - B - R - DOU}{S + P1AC + SBC}$$

$$\text{Commodity} = \frac{CC}{S + SBR}$$

$$\text{Over/Under Collection} = \frac{E}{S + SBR}$$

$$\text{AVC Capacity } 1/ = \frac{AVC - AVCOU}{S + P1AC + NP1}$$

(For definitions of "DC", "CC", "E", "S", "AVC", "AVCOU", "SBC", "SBR", "NP1", "P1AC", "R", "B", and "DOU" refer to Section below this rider).

The currently effective purchased gas cost rates are reflected on Tariff Pages 3 and 4.

1/ The AVC Capacity Charge will be subject to adjustment through the ongoing 1307(f) mechanism as a result of a modernization and compliance tracker for system improvements on the AVC system.

(C) Indicates Change.

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**DEFINITIONS**

"AVC":	The projected capacity costs associated with the Allegheny Valley Connector Interstate Pipeline System.
"AVCOU":	Experienced net overcollection or undercollection of the AVC Capacity costs.
"DC":	The projected demand or capacity cost of purchased gas (excluding AVC Capacity Charges).
"CC":	The projected commodity cost of purchased gas.
"DOU":	Experienced net overcollection or undercollection of the demand or capacity cost (excluding the AVC Capacity Charges) of purchased gas, including any interstate pipeline refunds of demand costs. Any changes in demand costs will be reflected in this calculation. <sup>1</sup>
"E":	Experienced net overcollection or undercollection of the commodity cost of purchased gas <sup>1</sup> .
"S":	Projected retail sales in Mcf during the application period.
"NP1":	Projected volumes in Mcf for NP-1 transportation customers and any customer served by a NP-1 Supplier.
"P1AC":	Projected volumes in Mcf for P-1 transportation customers who are assigned capacity.
"SBC":	Projected contracted standby volumes in Mcf by NP-1 transportation customers.
"SBR":	Projected retail commodity standby volumes in Mcf.
"R":	Shared (savings) or costs for demand charge recovery from the capacity-release program.
"B":	Balancing recovery.

"Projected" refers to the twelve-month period beginning with October 1 of the year that the calculation is made.

**ADJUSTMENT TO BASE RATES**

Whenever a change occurs in the calculation rates for collection of purchased gas costs, a corresponding change will occur in the base rates of applicable rate schedules.

**FILING WITH THE COMMISSION**

The Company shall meet all the filing requirements set forth in the regulations implementing Section 1307(f) of the Public Utility Code.

**REPORTING REQUIREMENTS**

The Company shall file quarterly reports within thirty (30) days following the conclusion of each computation year quarter. These reports will be in such form as the Commission shall have prescribed.

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<sup>1</sup>Interest will be applied in accordance with the applicable law.

**RIDER**  
**AVC CAPACITY CHARGE**

The AVC Capacity Charge is applicable to all customers with the exceptions defined below under Discounted Rate Customers and relates to the recovery of capacity costs incurred by the Company for firm transportation and storage service provided on the Allegheny Valley Connector ("AVC") System. The AVC system represents certain transmission and storage assets formerly owned and operated by the Company that are necessary to provide services by the Company to its customers. Upon Commission approval and implementation of the AVC Capacity charge, all customers shall receive an initial and one-time reduction to rates related to the elimination of costs for the transmission and storage assets formerly owned and operated by the Company.

The AVC Capacity Charge shall recover fixed demand charges and applicable surcharges assessed to the Company 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 the Company. 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 Non-Priority One customers 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 Tariff Page Nos. 3 and 4 for the currently effective AVC Capacity Charge rates.

**(C)**

These rates will be recalculated on an annual basis in conjunction with the other Rider Purchase Gas costs and reported on as applicable in the annual filing 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 allocation factors below.

The AVC Capacity Charge allocation factors are as follows:

<b><u>Rate Class</u></b>	<b><u>Allocation</u></b>
Residential	66.25%
SGS	11.94%
MGS	12.99%
LGS	8.82%

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/undercollection tracking and reconciled annually.

**(C) Indicates Change.**

**ISSUED: September 30, 2021**

**EFFECTIVE: October 1, 2021**

**RIDER**  
**AVC CAPACITY CHARGE****DISCOUNTED RATE CUSTOMERS**

Upon Commission approval and implementation of the AVC Capacity Charge, all customers receiving a negotiated discount delivery charge under Rate GS-T shall: 1) receive an initial and one-time delivery charge reduction equal to the reduction applicable to all customers within its rate class; and 2) be assessed an initial AVC Capacity Charge equal to the AVC charges set forth immediately below. To the extent that a customer is receiving a discounted delivery rate that is less than the initial AVC charge set forth below, such customer shall receive a delivery charge reduction that is equal to its discounted delivery charge and be assessed an initial AVC charge that is equal to its discounted delivery charge.

<b><u>Rate Class</u></b>	<b><u>Initial AVC Charge</u></b>
Residential	\$0.5063
SGS	\$0.5032
MGS	\$0.3306
LGS	\$0.0996

To the extent permitted under the customer's discounted rate contract, the Company may recover ongoing increases to the initial AVC charge from such customers.

**RIDER**  
**TRANSITION COST RECOVERY MECHANISM**

1. This Rider establishes a mechanism for the recovery of nongas transition costs from the Company's customers, except to the extent that a customer uses transportation service under Rate GS-T for the delivery of gas transported solely on intrastate pipeline facilities. Nongas transition costs are defined as pipeline gas supply realignment costs and stranded costs.
2. For purposes of nongas transition costs recovery, the Company will assign its recoverable transition costs and any reconciliations of transition costs between two groups of customers--those customers whom the Company designates as "competitive" and those customers whom the Company designates as "noncompetitive." For purposes of this recovery mechanism, competitive customers shall include all customers to whom the Company charges less than its maximum tariffed retail or transportation rates in order to gain or maintain the customers' patronage in the face of competitive pressures. For purposes of this recovery mechanism, noncompetitive customers shall include all of the Company's customers who are not competitive.
3. The assignment of nongas transition cost responsibility to the Company's competitive customers shall be equal to that portion of the revenues that those customers contribute under the Company's program for the release of firm transportation pipeline capacity as set forth in this tariff, and that is designated, either through prearrangement or open bidding, as "transition costs." Notwithstanding the foregoing, the Company may charge a volumetric surcharge to competitive customers. Any additional recovery from competitive customers shall be credited against the nongas transition costs allocated to the Company's noncompetitive customers. The assignment of transition cost responsibility to the Company's noncompetitive customers shall be equal to the difference between the Company's total nongas transition cost liability and the amount of that liability that is allocated to competitive customers.
4. A surcharge for the recovery of nongas transition costs from noncompetitive customers will be recalculated every three months, with the recalculations to be effective on or around January 1, April 1, July 1, and October 1 of each year. The Company will file the January 1, April 1, and July 1 recalculations on one day's notice to the Commission, and these filings are referred to in this rider as the "quarterly recalculation," and will file the October 1 recalculation on thirty days' notice to the Commission.
5. The surcharge will be designed to recover (a) those nongas transition costs that have been billed to the Company by interstate pipelines and (b) those costs that have been approved by the Federal Energy Regulatory Commission to be billed to the Company during the 12-month period following the surcharge filing date.
6. At the time of each quarterly recalculation of the surcharge, the Company will reconcile its actual billed costs over the three-month period that ends one month prior to the filing of the recalculation against the costs that had been projected for that same period and will incorporate the reconciliation within its recalculations; however, no adjustment will be made to reflect variations in billed throughput during such periods. The Company will accompany its recalculation of the surcharge that will become effective on October 1, 1994, with a reconciliation of actual transition cost revenues recovered from the Company's customers from the effective date of the surcharge through July 31, 1994, against the revenues projected to have been recovered over the same period, including adjustments to reflect volumetric variations. The Company will accompany its recalculations of the surcharges that will become effective on or around each October 1 after 1994 with a reconciliation of actual transition cost revenues recovered from its customers over the 12 months ending July 31 of the particular year against the revenues projected to have been recovered over the same 12-month period.

**RIDER**  
**TRANSITION COST RECOVERY MECHANISM**

7. The Company will reduce the recoverable nongas transition costs allocated to its noncompetitive customers by the portion of the revenues that those customers are projected to contribute under the Company's program for the release of firm transportation pipeline capacity as set forth in this tariff and that is designated, either through prearrangement or open bidding, as transition costs. The Company will calculate the unit surcharge rates applicable to noncompetitive customers by dividing the recoverable nongas transition costs allocated to them, net of any reconciliations (including any additional nongas transition costs recovered by the Company from competitive customers under paragraph 3), and net of capacity release revenues as described in this paragraph, by the retail and transportation volumes projected to be consumed by noncompetitive customers, exclusive of those volumes of Pennsylvania-produced natural gas supplies transported by noncompetitive customers.
8. The surcharge rates applicable to noncompetitive customers are as follows:

Retail	\$0.0000/Mcf
Transportation	\$0.0000/Mcf

The surcharge rates, if any, applied to competitive customers will be determined on an individual customer basis.

**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 customers served under rate schedules RS, Commercial SGS, Industrial SGS, Rate GS-T – Residential, Rate GS-T Commercial SGS, and Rate GS-T Industrial SGS. Charges assessed per this rider shall not be applicable to customers 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.

**(C)**

**The currently effective Supplier Choice Charge per Month is reflected on Tariff Page Nos. 3 and 4.**



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

The Merchant Function Charge (MFC) shall be added to the gas cost charges applicable under rate schedules Rate RS, Rate SGS, Rate MGS, LGS and GS-T. 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.

**(C)**

For residential customers receiving service under Rate RS and Rate GS-T, the MFC shall equal the write-off factor of 2.448% times the gas cost charges as set forth in Peoples' Rider Purchase Gas Cost. The current MFC applicable to Rate RS customers is shown on Tariff Page Nos. 3 and 4. **(D)**

**(C)**

For Small, Medium, and Large General Service customers receiving service under Rate SGS, MGS, LGS and Rate GS-T, the MFC shall equal the write-off factor of 0.211% times the gas cost charges as set forth in Peoples' Rider Purchase Gas Cost. The current MFC applicable to these customers is shown on Tariff Page Nos. 3 and 4. **(I)**

(C) Indicates Change.  
(D) Indicates Decrease.  
(I) Indicates Increase.

**RIDER**  
**UNIVERSAL SERVICE**

This rider shall be applicable to all residential customers except for any residential customer served in the Company's Customer Assistance Program (CAP). This rider recovers costs related to the Company's universal service programs.

The charges assessed per this rider shall be assessed to residential customers served under rate schedules Rate RS and Rate GS-T. Charges assessed per this rider shall not be applicable to customers served in the Company's CAP or Pilot E-CAP (E-CAP).

The currently effective Rider Universal Service Charge is reflected on Tariff Page Nos. 3 and 4.

Costs related to the following universal service programs shall be calculated and recovered per this rider: CAP; Low Income Usage Reduction Program (LIURP); Community Partnership for Weatherization; and the Emergency Furnace and Houseline Repair Program.

CAP Costs will be calculated to include the following components: **(C)**

1. Projected CAP Credit – The difference between the total Rate RS bill, excluding Rider Universal Service, and the CAP or E-CAP payment amount which is comprised of the sum of the percentage of income payment or minimum bill, whichever is greater. The projected CAP Credit shall be calculated based on current rates, current CAP or E-CAP payment amounts and projected normalized annual volumes for CAP and E-CAP participants. Separate CAP credit costs will be calculated for: 1) current active CAP and E-CAP participants; and 2) the projected average net change in the number of CAP and E-CAP participants for the projected quarter.
2. Pre-Program Arrearage Forgiveness – Projected CAP and E-CAP pre-program arrearage forgiveness costs for the projected annual period.

Costs for the LIURP, Community Partnership for Weatherization and Emergency Furnace and Houseline Repair programs will be calculated based on the projected number of eligible participants for the projected annual period. Recoverable CAP credit and arrearage forgiveness amounts will be reduced by 3.86% times the average CAP credit and arrearage forgiveness of existing CAP customers times the incremental number of CAP participants in excess of 32,300 CAP customers. Historical payment statistics will be utilized in the development of projected CAP credit and arrearage forgiveness amounts. Third party costs for the purposes of CAP administration and Universal Service call management will be included in the calculation of the Rider.

The applicable unit for this rider shall be determined by dividing the total costs universal service plan costs by the annual projected non-CAP residential volumes established in the most recent 1307(f) gas cost recovery proceeding. For bill display purposes, the unit rate calculated under this rider shall be included in a single delivery charge that also includes the residential delivery charge set forth in rate schedules Rate RS and Rate GS-T.

**QUARTERLY ADJUSTMENT**

Effective with each quarterly 1307(f) gas cost change, the unit rate under this rider shall be recalculated to reflect current cost data for the cost components outlined above. The updated rate will be filed to be effective one day after the filing.

**ANNUAL RECONCILIATION**

As part of the quarterly adjustment filing effective on April 1 of each year, the Company shall include a reconciliation of actual revenues recovered under Rider Universal Service and actual universal service costs incurred for the twelve month period ended December 31. The resulting over/undercollection will be included in the quarterly Rider Universal Service rate adjustment to be effective April 1.

(C) Indicates Change.

**RIDER**  
**GAS PROCUREMENT CHARGE**

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 Purchased Gas Cost - 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.

**(C)**

**The currently effective Rider GPC Charge is reflected on Tariff Page No. 3.**

**(C) Indicates Change.**

**RIDER**  
**TAX REPAIRS SURCREDIT (TRS)**

Pursuant to Docket No. P-2020-3021191, there shall be a surcredit of negative 6.8414% percent applied to the customer charge and the base rate delivery charge under all rate schedules served by this tariff. Any customer receiving a discounted flexible delivery charge rate will not be eligible for the surcredit. (I)

**Purpose:** The purpose of this surcredit is to refund, over a five-year period, the entire tax benefit of a catch-up tax deduction resulting from the Company's defining its unit of property under the Internal Revenue Service's Treasury Regulations 1.263(a)-3 and 1.162-4. This catch-up deduction or "look back" represents the difference between federal and state income tax depreciation claimed versus the repair deductions that would have been claimed for the tax years ended December 31, 2012 through March 15, 2020.

**Effective Date:** Beginning with service rendered August 1, 2021.

**Calculation:** The annual amount of the surcredit will be approximately \$29.431 Million, equal to 100% of the tax benefit from the catch-up tax deduction of approximately \$391 million refunded over a five year period.

**Reconciliation:** In accordance with Section 1307(e) of the Public Utility Code, the Company shall provide a reconciliation of the amount refunded and the tax benefit of the catch up deduction for the twelve month period ended December 31. The rate will be adjusted annually for the resulting over/undercollection to be effective April 1. The annual reconciliation will be filed by March 21 for the preceding calendar year.

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 recoup or refund period.

This surcredit will remain in place for six years (five years of refund period and one year for a final reconciliation period). Any over or under ratepayer surcredit amounts remaining at the end of year five shall be flowed through to Customers in the Company's next quarterly 1307(f) gas cost filing. Within 60 days of termination of the distribution of the rate credit, the Company shall file with the Commission and provide a copy to all parties to Docket No. P-2020-3021191 a final reconciliation of all surcredit amounts.

Upon determination that this surcredit, 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 this surcredit.

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**RIDER**  
**Distribution 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 (I) Order dated May 23, 2013 at Docket No. P-2013-2346161 approving the DSIC.

**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.

**Eligible Property:**

- Gathering Lines (account 332);
- Storage Lines (account 353);
- Transmission Lines (account 367);
- Piping (account 376);
- Couplings (account 376);
- Gas service 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 (accounts 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; and
- Other related capitalized costs (accounts 303, 387, 391.02 and 392)

**Effective Date:** The DSIC will become effective for bills rendered on and after 7/1/2013.

**Computation of the DSIC**

The initial DSIC, effective July 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 during the (*three-month period ending one month prior to effective date*). Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month period 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>
July 1	March 1 through May 31
October 1	June 1 through August 31
January 1	September 1 through November 30
April 1	December 1 through February 28

**Determination of Fixed Costs:** The fixed costs of eligible distribution system improvements 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.

(I) Indicates Increase



**RIDER**  
**Distribution System Improvement Charge (DSIC)**

**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.

**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 Rider State Tax Adjustment, Rider Purchased Gas Cost and Rider AVC Capacity Charge. 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 one-fourth of the Company's annual projected revenue for distribution service (including all applicable clauses and riders), exclusive of Rider State Tax Adjustment Surcharge, Rider Purchased Gas Cost and Rider AVC Capacity Charge. **(C)**

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

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

Where:

**DSI** = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168. **(C)**

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

**STFT** = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax. **[NOTE: UTILITY MAY ELECT TO INCLUDE THE STFT IN THE PTRR COMPONENT.] (C)**

**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 annual revenues for distribution service (excluding Rider State Tax Adjustment, Rider Purchased Gas Cost and Rider AVC Capacity Charge) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period will be divided by four to arrive at a quarterly revenue figure. **(C)**

**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, Office of Small Business Advocate, and Commission's Bureau of Audits at least (10) days prior to the effective date of the update.

**(C) Indicates Change.**

**ISSUED: December 22, 2022**

**EFFECTIVE: January 2, 2023**

**RIDER**  
**Distribution System Improvement Charge (DSIC)**

**Customer Safeguards:**

1. **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.
2. **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 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, or in the next quarter if permitted by the Commission. 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. The utility is not permitted to accrue interest on under collections. **(C)**
3. **New Base Rates:** The DSIC will be reset to 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.
4. **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.
5. **All Customer Classes:** The DSIC shall be applied equally to all customer classes, except that the Company may reduce or eliminate the Rider DSIC to any customer with competitive alternatives or potential competitive alternatives and customers having negotiated contracts with the Company, if it is reasonably necessary to do so.
6. **Earnings Reports:** The DSIC will also be reset to 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 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.
7. **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) Indicates Change

**PILOT RATE MLX  
MAINLINE EXTENSION SERVICE**

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 4 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 4 using rates RS or SGS. 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 rate tier that will justify the project under Rule 4 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 SGS 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 4.

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

**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 of, 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.

**Rider TCJA - TCJA 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.

The TCJA rate is currently suspended. Within 60 days of the effective date of the new base rates, established in Docket No. R-2018-3006818, the Company will calculate the final refund due to customers including the:

- 1) refund of the tax savings and interest associated with TCJA for the period January 1, 2018 through June 30, 2018 and
- 2) accumulated over or under collection while rate TCJA was in effect.

The interest will be calculated 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.) in effect on the last day of the month prior to the refund to customers

These above amounts due to customers will be refunded by means of a one-time bill credit within 120 days of the effective date of the new base rates. Once the one-time bill credit is provided to customers, Rider TCJA will terminate.