

UGI UTILITIES, INC. – GAS DIVISION

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Information Submitted Pursuant to

Section 53.51 et seq of the Commission’s Regulations

UGI GAS EXHIBIT F – PROPOSED TARIFFS

ORIGINAL TARIFFS

UGI UTILITIES, INC. – GAS DIVISION – PA P.U.C. NOS. 7 & 7S

DOCKET NO. R-2018-3006814

Issued: January 28, 2019

Effective: March 29, 2019

UGI UTILITIES, INC.- GAS DIVISION

GAS TARIFF

INCLUDING THE GAS SERVICE TARIFF

AND

THE CHOICE SUPPLIER TARIFF

Rates and Rules Governing the Furnishing of
Gas Service and Choice Aggregation Service
in the Territory Described Herein

Issued: January 28, 2019

Effective for service rendered on
and after March 29, 2019

Issued By:

Paul J. Szykman
Chief Regulatory Officer
1 UGI Drive
Denver, PA 17517

<http://www.ugi.com/tariffs>

NOTICE OF TARIFF CHANGES

To UGI Utilities, Inc - Gas Division, South Rate District Pa. P.U.C. Nos. 6 and 6-S, UGI Utilities, Inc - Gas Division, North Rate District Pa. P.U.C. Nos. 9 and 9-S, and UGI Utilities, Inc - Gas Division, Central Rate District Pa. P.U.C. Nos. 4 and 4-S, through Proposed Original UGI Utilities, Inc.- Gas Division Pa. P.U.C. Nos. 7 and 7S

This tariff makes increases/decreases/changes in existing rates
(See Attached List of Changes)

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory

The Company's charter territory includes Adams, Armstrong, Bedford, Berks, Blair, Bradford, Bucks, Carbon, Centre, Chester, Clarion, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Forest, Franklin, Fulton, Huntingdon, Jefferson, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, McKean, Mifflin, Monroe, Montgomery, Montour, Northampton, Northumberland, Pike, Potter, Schuylkill, Snyder, Susquehanna, Tioga, Union, Venango, Wayne, Wyoming and York Counties, Pennsylvania. Gas service is available in all localities where the Company has pipelines, including all or a portion of the following Cities, Boroughs and Townships:

ADAMS COUNTY

Townships

Cumberland Freedom

ARMSTRONG COUNTY

City

Parker

BEDFORD COUNTY

Boroughs

Bedford Everett

Townships

Bedford	Colerain	Monroe
Napier	Snake Spring Valley	West Providence

BERKS COUNTY

City

Reading

Boroughs

Adamstown (part)	Bally	Birdsboro
Boyertown	Centerpoint	Fleetwood
Hamburg	Kenhorst	Kutztown
Laureldale	Leesport	Lyons
Mohnton	Mt. Penn	New Morgan
Robesonia	St. Lawrence	Shillington
Shoemakersville	Sinking Spring	Topton
Wernersville	West Reading	Womelsdorf
Wyomissing	Wyomissing Hills	

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory

Townships

Alsace	Amity	Bern
Caernarvon	Centre	Colebrookdale
Cumru	Douglass	Exeter
Heidelberg	Hereford	Jefferson
Longswamp	Lower Alsace	Lower Heidelberg
Maiden Creek	Marion	Maxatawny
Muhlenberg	Ontelaunee	Perry
Richmond	Robeson	Rockland
Ruscombmanor	South Heidelberg	Spring
Tilden	Union	Washington
Windsor		

BLAIR COUNTY

Boroughs

Martinsburg	Roaring Spring
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Townships

Huston	North Woodbury	Taylor
Woodbury		

BRADFORD COUNTY

Boroughs

Alba	Burlington	Canton
Sylvania	Troy	

Townships

Armenia	Burlington	Canton
Columbia	Granville	LeRoy
Ridgebury	Smithfield	South Creek
Springfield	Troy	Ulster
Wells	West Burlington	

BUCKS COUNTY

Boroughs

Perkasie	Quakertown	Richlandtown
Riegelsville	Sellersville	Silverdale
Trumbauersville		

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Townships

Durham	East Rockhill	Haycock
Hilltown	Milford	Nockamixon
Richland	Springfield	West Rockhill

CARBON COUNTY

Boroughs

Bowmanstown	East Side	Jim Thorpe
Lehighton	Palmerton	Weissport

Townships

Banks	East Penn	Kidder
Lower Towamensing	Mahoning (part)	Packer

CENTRE COUNTY

Boroughs

Philipsburg	South Philipsburg
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Township

Rush

CHESTER COUNTY

Borough

Oxford

Townships

East Coventry (part)	East Nottingham	Elk
Honey Brook (part)	Lower Oxford	North Coventry (part)
Upper Oxford	West Nottingham	

CLARION COUNTY

Boroughs

Callensburg	Silgo
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NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Townships

Ashland	Beaver	Clarion
Elk	Farmington	Highland
Knox	Licking	Limestone
Millcreek	Monroe	Paint
Perry	Piney	Richland
Salem	Toby	Washington

CLEARFIELD COUNTY

Boroughs

Chester Hill	Clearfield and Environs	Curwensville
Wallacetown		

Townships

Boggs	Bradford	Decatur
Knox	Lawrence	Morris
Pike		

CLINTON COUNTY

City

Lock Haven

Boroughs

Avis	Beech Creek	Flemington
Mill Hall	Renovo	South Renovo

Townships

Allison	Bald Eagle	Beech Creek (portion)
Castanea	Chapman	Crawford
Dunnstable	Gallagher	Grugan
Noyes	Pine Creek	Wayne
Woodward		

COLUMBIA COUNTY

Boroughs

Berwick	Briar Creek	Centralia
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NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Town

Bloomsburg

Townships

Briar Creek

Conyngham

Hemlock

Mifflin

Montour

Scott

South Centre

CUMBERLAND COUNTY

Boroughs

Camp Hill

Carlisle

Lemoyne

Mechanicsburg

Mt. Holly Springs

New Cumberland

Shippensburg

Shiremanstown

West Fairview

Wormleysburg

Townships

Dickinson

East Pennsboro

Hampden

Lower Allen

Middlesex

Monroe

North Middleton

Shippensburg

Silver Spring

Southampton

South Middleton

Upper Allen

DAUPHIN COUNTY

City

Harrisburg

Boroughs

Dauphin

Highspire

Hummelstown

Middletown

Paxtang

Penbrook

Royalton

Steelton

Townships

Conewago

Derry (including
Hershey)

East Hanover

Jackson

Jefferson

Lykens

Londonderry

Lower Paxton

Lower Swatara

Middle Paxton

Rush

South Hanover

Susquehanna

Swatara

West Hanover

Williams

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

FOREST COUNTY

Borough

Tionesta

Townships

Barnett	Green	Harmony
Jenks	Tionesta	

FRANKLIN COUNTY

Boroughs

Orrstown	Shippensburg	Waynesboro
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Townships

Greene (part)	Guilford (part)	Hamilton (part)
Letterkenny (Army Depot)	Southampton	Washington

FULTON COUNTY

Borough

McConnellsburg

Townships

Ayr (part)	Todd
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HUNTINGDON COUNTY

Boroughs

Huntingdon	Mapleton	Mill Creek
Mount Union		

Townships

Brady	Henderson	Juniata
Oneida	Shirley	Smithfield
Union	Walker	

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

JEFFERSON COUNTY

Borough

Summerville

Township

Barnett

JUNIATA COUNTY

Townships

Tuscarora

Lack

Milford

LACKAWANNA COUNTY

Cities

Carbondale

Scranton

Boroughs

Archbald

Blakely

Clarks Green

Clarks Summit

Dalton

Dickson City

Dunmore

Jermyn

Jessup

Mayfield

Moosic

Moscow

Old Forge

Olyphant

Taylor

Throop

Vandling

Townships

Abington

Benton

Carbondale

Clifton

Covington

Elmhurst

Fell

Glenburn

Greenfield

Jefferson

La Plume

Madison

Newton

North Abington

Ransom

Roaring Brook

Scott

South Abington

Spring Brook

West Abington

LANCASTER COUNTY

City

Lancaster

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Boroughs

Adamstown (part)	Akron	Columbia
Denver	East Petersburg	Elizabethtown
Ephrata	Lititz	Manheim
Marietta	Millersville	Mount Joy
Mountville	New Holland	Quarryville
Strasburg		

Townships

Brecknock	Caernarvon	Clay
Colerain	Conoy	Earl
East Earl	East Cocalico	East Donegal
East Drumore	East Hempfield	East Lampeter
Ephrata	Lancaster	Leacock
Little Britain	Manheim	Manor
Mount Joy	Paradise	Penn
Pequea	Rapho	Strasburg
Upper Leacock	Warwick	West Cocalico
West Donegal	West Earl	West Hempfield
West Lampeter		

LEBANON COUNTY

City

Lebanon

Boroughs

Cleona	Cornwall	Myerstown
Palmyra	Richland	

Townships

Annville	Bethel	Cold Spring
East Hanover	Jackson	Millcreek
North Annville	North Cornwall	North Lebanon
North Londonderry	South Annville	South Lebanon
South Londonderry	Swatara	Union
West Cornwall	West Lebanon	

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Townships

Bear Creek	Buck	Butler
Conyngham	Dallas	Dennison
Dorrance	Exeter	Fairmount
Fairview	Foster	Franklin
Hanover	Hazel	Hollenback (part)
Hunlock	Huntington	Jackson
Jenkins (part)	Kingston	Lake
Lehman	Nescopeck	Newport
Pittston	Plains	Plymouth
Rice	Ross	Salem
Slocum	Sugarloaf	Union
Wilkes-Barre	Wright	

LYCOMING COUNTY

City

Williamsport

Boroughs

Duboistown	Hughesville	Jersey Shore
Montgomery	Montoursville	Muncy
Picture Rocks	Salladsburg	South Williamsport

Townships

Anthony	Armstrong	Bastress
Brady	Clinton	Eldred
Fairfield	Franklin	Hepburn
Jackson	Jordan	Limestone
Loyalsock	Lycoming	McNett
Mifflin (part)	Millcreek	Moreland
Muncy	Muncy Creek	Nippenose
Old Lycoming	Penn (part)	Piatt
Porter	Shrewsbury (part)	Susquehanna
Upper Fairchild	Washington	Wolf (part)
Woodward		

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

MCKEAN COUNTY

Boroughs

Eldred	Mount Jewett	Port Allegany
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Townships

Annin	Ceres	Eldred
Hamlin	Keating	Liberty
Norwich	Otto	Sergeant

MIFFLIN COUNTY

Boroughs

Burnham	Juniata Terrace	Lewistown
McVeytown		

Townships

Armagh	Bratton	Brown
Decatur	Derry	Granville
Menno	Union	

MONROE COUNTY

Boroughs

Delaware Water Gap	East Stroudsburg	Mount Pocono
Stroudsburg		

Townships

Chestnuthill	Coolbaugh	Eldred
Hamilton	Middle Smithfield	Paradise
Pocono	Ross	Smithfield
Stroud	Tobyhanna	Tunkhannok

MONTGOMERY COUNTY

Townships

Douglass	New Hanover	Limerick (restricted)
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NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

MONTOUR COUNTY

Borough

Danville

Townships

Cooper	Liberty (part)	Limestone
Mahoning	Valley	

NORTHAMPTON COUNTY

Cities

Bethlehem (part)	Easton
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Boroughs

Bangor	Bath	East Bangor
Freemansburg	Glendon	Hellertown
Nazareth	Northampton	North Catasauqua
Pen Argyl and Vicinity	Portland	Roseto
Stockertown	Tatamy	Walnutport
West Easton	Wilson	Wind Gap

Townships

Allen	Bethlehem	Bushkill
East Allen	Forks	Hanover
Lehigh	Lower Mount Bethel	Lower Nazareth
Lower Saucon	Palmer	Plainfield
Upper Mount Bethel	Upper Nazareth	Washington
Williams		

NORTHUMBERLAND COUNTY

Cities

Shamokin	Sunbury
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Boroughs

Kulpmont	Marion Heights	Milton
Mount Carmel	Northumberland	Riverside
Snydertown	Turbotville	Watsontown

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Townships

Coal	Delaware	East Cameron
East Chillisquaque	Jordan	Lewis Twp.
Little Mahanoy	Lower Augusta	Mount Carmel
Point	Ralpho	Rockefeller
Shamokin	Turbot	Upper Augusta
Washington	West Cameron	West Chillisquaque
Zerbe		

PIKE COUNTY

Borough

Milford

Townships

Dingman	Lehman	Milford
Westfall		

POTTER COUNTY

Boroughs

Austin	Bingham	Coudersport
Galeton	Hebron	Oswayo
Shinglehouse	Ulysses	

Townships

Abbott	Allegany	Clara
Eulalia	Genesee	Harrison
Hector	Hebron	Homer
Keating	Oswayo	Pike
Pleasant Valley	Portage	Roulette
Sharon	Summit	Sweden
Sylvania	Ulysses	West Branch
Wharton		

NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

SCHUYLKILL COUNTY

City

Pottsville

Boroughs

Ashland	Auburn	Cressona
Deer Lake	Frackville	Gilberton
Girardville	Gordon	Landingville
McAdoo	Mechanicsville	Middleport
Minersville	Mount Carbon	New Philadelphia
Orwigsburg	Palo Alto	Port Carbon
Port Clinton	Ringtown	St. Clair
Schuylkill Haven		

Townships

Blythe	Branch	Butler
Cass	East Union	East Norwegian
Foster	Hubley	Kline
Mahanoy (part)	New Castle	North Manheim
Norweigan	Ryan	South Manheim
Union	Upper Mahantongo	West Brunswick
West Mahanoy		

SNYDER COUNTY

Boroughs

Selinsgrove	Shamokin Dam
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Townships

Middlecreek	Monroe	Penn
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SUSQUEHANNA COUNTY

Boroughs

Forest City	Uniondale
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Townships

Auburn	Clifford
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NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

TIOGA COUNTY

Boroughs

Blossburg	Elkland	Knoxville
Lawrenceville	Liberty	Mansfield
Roseville	Tioga	Wellsboro
Westfield		

Townships

Bloss	Brookfield	Charleston
Chatham	Clymer	Covington
Deerfield	Delmar	Duncan
Elkland	Farmington	Gaines
Hamilton	Jackson	Lawrence
Liberty	Middlebury	Nelson
Osceola	Putnam	Richmond
Rutland	Shippen	Sullivan
Tioga	Union	Ward
Westfield		

UNION COUNTY

Borough

Lewisburg

Townships

Buffalo (part)	East Buffalo (part)	Gregg
Kelly (part)	Lewis	Union (part)
West Buffalo (part)	White Deer	

VENANGO COUNTY

City

Oil City

Boroughs

Rouseville	Sugarcreek
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NOTICE OF TARIFF CHANGES (CONT.)

Description of Territory - Continued

Townships

Clinton	Cornplanter	Cranberry
Pinegrove	President	Richland
Rockland		

WAYNE COUNTY

Boroughs

Bethany	Hawley	Honesdale
Waymart		

Townships

Berlin	Canaan	Cherry Ridge
Clinton	Dyberry	Oregon
Palmyra	Paupack	Texas

WYOMING COUNTY

Boroughs

Factoryville	Laceyville	Meshoppen
Nicholson	Tunkhannock	

Townships

Braintrim	Clinton	Eaton
Exeter	Falls	Forkston
Lemon	Mehoopany	Meshoppen
Monroe	Nicholson	North Branch
Northmoreland	Noxen	Overfield
Tunkhannock	Washington	Windham

YORK COUNTY

Townships

Fairview	Newberry	
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LIST OF CHANGES

UGI GAS Proposed Tariff Nos. 7 and 7S

To

**UGI GAS Current – South Rate District
Tariff Nos. 6 and 6-S**

**UGI GAS Current – North Rate District
Tariff Nos. 9 and 9-S**

**UGI GAS Current – Central Rate District
Tariff Nos. 4 and 4-S**

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
 List of Changes
 UGI Utilities, Inc. - Gas Division Proposed Tariff Nos. 7 and 7S to UGI-GD South Rate District
 Current Gas Tariff Nos. 6 and 6-S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-19	Description of Territory	5-6	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions - General	20-24	Definitions – General	7-11	No change.
1. The Gas Service Tariff	25	1. The Gas Service Tariff	12	Section 1.5 – Liability and Legal Remedies has been added to the proposed tariff to conform with UGI North and Central.
2. Contract for Gas Service	26-28	2. Contract for Gas Service	13-15	Section 2.3 (a) – 30-day reference changed to 60-days for advance notice by Customers to conform with UGI North. Section 2.3 (b) – To conform with UGI North, the 45-day reference changed to 90-days for the Company’s right to approve Customer gas facility plans.

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
				Section 2.3 (c) – references the 60-day notice in Section 2.3 (a). The provision to provide written notice to all customers with a DFR or peak usage of 1,000 Mcf per day or greater has been removed.
3. Guarantee of Payment	29-32	3. Guarantee of Payment	16-19	No change.
4. Service – Supply Facilities	33-34	4. Service - Supply Facilities	20-21	No change.
5. Extension Regulation	35-38	5. Extension Regulation	22-26	<p>Section 5.2 (c) was renamed Estimates and Non-Standard Costs from just Estimates to conform with UGI North and Central.</p> <p>Section 5.8.1 – Availability and Purpose – Revised the term of the program from 5 years to 10 years.</p> <p>Section 5.8.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term.</p> <p>5.8.3 GET Gas Rider – Monthly charge for Rate Schedules R, RT, N and NT have been revised.</p>

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
6. Customer's Responsibility for Company's Property	39-40	6. Customer's Responsibility for Company's Property	27-28	No change.
7. Meter Reading	41	7. Meter Reading	29	No change.
8. Billing and Payment	42-45	8. Billing and Payment	30-32	Section 8.8 – Return Payment Service Charge – amount increased from \$20 to \$35 to conform with UGI North and Central. Section 8.11 – Joint Billing – has been added. Sections 8.11 and 8.12 in Tariff No. 6 have been renumbered in the proposed tariff as Sections 8.12 and 8.13.
9. Termination or Discontinuance of Service	46-47	9. Termination and Discontinuance of Service	33-34	No change.
10. Rider A - State Tax Adjustment Surcharge	48	10. Rider A – State Tax Adjustment Surcharge	35	The STAS rate has been reset to 0.00% in the proposed tariff.
11. Rider B – Section 1307 (f) Purchase Gas Cost	49-52	11. Rider B – Section 1307 (f) Purchased Gas Costs	36-39	Outdated Interruptible Revenue Credit (IRC) language has been deleted from the proposed tariff. Revenue Sharing Allocation - Language related to non-Choice firm transportation customers has been removed consistent with the use of capacity releases for non-Choice firm transportation customers who may now generate their own off-system sales offsets.

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
				The Purchase Gas Cost rate has been recalculated to reflect a unified rate, inclusive of both c-factor and e-factor components.
12. Rider C – Extended TCJA Temporary Surcharge	53-54	12. Rider C – TCJA Temporary Surcharge	40	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D - Merchant Function Charge	55	13. Rider D – Merchant Function Charge	41	The rate has been recalculated to reflect a unified rate.
14. Rider E – Gas Procurement Charge	56	14. Rider E – Gas Procurement Charge	42	Rate has been updated and reference to outdated Docket No. has been deleted.
15. Price to Compare	57	15. Price to Compare	43	Rates have been updated to reflect a unified rate.
16. Rider F - Universal Service Program	58-59	16. Rider F – Universal Service Program	44-45	The USP rate has been updated to reflect the unified Universal Service Program and unified rate. Annual Reconciliation – Updated number of participants and adjustment factor are based on combined data.

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
17. Rider G – Energy Efficiency and Conservation Rider	60-61	17. Rider G – Energy Efficiency and Conservation Rider	46-47	Rates have been updated to reflect a unified rate. The EE&C Program has been expanded to UGI Central.
18. Rider H – Technology and Economic Development Rider	62	18. Rider H – Technology and Economic Development Rider	48	No change.
19. Rider I – Distribution System Improvement Charge	63-66	18.A. Rider I – Distribution System Improvement Charge	49-52	This section is renumbered as Section 19 in the proposed tariff. The rate has been reset to 0.00% in the proposed tariff. Section 18.A.3 Effective Date has been deleted. The reference to outdated Docket Nos. has been deleted.
20. Rider J – Gas Delivery Enhancement Rider	67	18.B. Rider J – Gas Delivery Enhancement Rider	52(a)-52(b)	This section has been renumbered in the proposed tariff as Section 20 and rates have been updated to reflect a unified rate.
21. Gas Emergency Planning	68-72	19. Gas Emergency Planning	53-57	This section is renumbered as Section 21 in the proposed tariff. Section 19.10 (b) Penalties for Unauthorized Takes has been updated to reference Section 22.4.
22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	20. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	58-63	This section has been renumbered in the proposed tariff as Section 22 and rates have been updated to reflect a unified rate.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
				<p>Section 22.1 (j)- Increased lost and unaccounted for gas percentage from .1% to 1% to reflect a unified rate.</p> <p>Section 22.2(b) – Daily Balancing – Reduced daily balancing from 10.0% to 4.5% to reflect a unified rate.</p> <p>Section 22.2(c) – Imbalance resolution –Eliminated Average Monthly Index. Created Excess Monthly Index and Shortfall Monthly Index with regionally based prices.</p> <p>Section 22.4 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge.</p>
23. General Terms for Interconnection Coordination Services for Connecting Entities	82	21. General Terms for Interconnection Coordination Services for Connecting Entities	64	<p>This section has been renumbered as Section 23 in the proposed tariff.</p> <p>Section 19.10 (b) Penalties for Unauthorized Takes has been updated to reference Section 22.4.</p>

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
24. Extension and Expansion Fund	83	Not in Tariff No. 6	---	New tariff section in proposed tariff No. 7.
25. Incentive Sharing of Interruptible Revenues	84	Not in Tariff No. 6	---	New tariff section in proposed tariff No. 7.
Rate R – General Service - Residential	85	Rate R – General Service – Residential	65	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate RT – General Service – Residential Transportation	86-87	Rate RT - General Service – Residential Transportation	66-67	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GL – Gas Light Service	88	Rate GL – General Service – Gas Light Service	68	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section. Monthly usage assumptions have been expanded for large consumption input fixtures. Payment section has been added.
Rate N – General Service – Non-Residential	89	Rate N – General Service – Non-Residential	69-70	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
Rate NT – General Service – Non-Residential Transportation	90-91	Rate NT - General Service – Non-Residential Transportation	71-72	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GBM – Gas Beyond the Mains	92-93	Rate GBM – Gas Beyond the Mains	73-74	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate DS – Delivery Service	94-95	Rate DS – Delivery Service	75-76	Rates have been updated to reflect a unified rate. Capacity Charge language has been updated. Single block distribution charge replaces two block distribution charge to conform with UGI North and UGI Central. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate NNS – No-Notice Service	96-97	Rate NNS – No Notice Service	77-78	Terms and Conditions - Daily balancing language modified from 10.0% to 4.5% to reflect a unified rate. Rates have been updated to reflect a unified rate.
Rate MBS – Monthly Balancing Service	98	Rate MBS – Monthly Balancing Service	79	Rates have been updated to reflect a unified rate.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
Rate LFD – Large Firm Delivery Service	99-101	Rate LFD – Large Firm Delivery Services	80-83	<p>Rates have been updated to reflect a unified rate.</p> <p>Single block distribution charge replaces two block distribution charge to conform with UGI North and UGI Central.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p> <p>Off-Peak Usage Option has been eliminated to conform with UGI North and UGI Central.</p> <p>Charge for Unauthorized Overrun rate has been increased from \$25.00/Mcf to \$27.50/Mcf to conform with UGI North.</p>
Rate XD – Extended Large Volume Delivery Service	102-104	Rate XD – Extended Large Firm Delivery Service	84-86	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p> <p>Charge for Unauthorized Overrun language has been modified and overrun rate has been increased from \$25.00/Mcf to \$27.50/Mcf to conform with UGI North.</p>

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
Rate R/S – Retail and Standby Rider	105-107	Rate R/S – Retail Standby Rider	87-89	No changes.
Rate IS – Interruptible Service	108-110	Rate IS – Interruptible Service	90-92	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Gas Choice Supplier Tariff				
1. The Choice Supplier Tariff	111	1. The Choice Supplier Tariff	93	No change.
2. Choice Supplier Qualification	112	2. Choice Supplier Qualification	94	No change.
3. Customer List	113	3. Customer List	95	UGI-GD Tariff No. 7S deleted reference to Rate DS customers in Section 3.1.
4. Choice Supplier Obligations	114-115	4. Choice Supplier Obligations	96-97	UGI-GD Tariff No. 7S Section 4.12 changed residential POR percentage from 97.67% to 97.78%. Commercial POR percentage changed from 99.50% to 99.62%.
5. Operational Requirements	116	5.Operational Requirements	98	UGI-GD Tariff No. 7S Section 5.1 lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate. In addition, the following sections have been revised: Section 5.2 and Section 5.3 – failure to comply with a DFD or OFO penalty charges have been repositioned and now reference Section 22.4 of UGI-GD Tariff No. 7.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
				Section 5.4 review based on previous 12 months actual usage has been eliminated as eligibility is performed upon enrollment.
6. Billing and Payment	117	6.Billing and Payment	99-100	UGI-GD Tariff No. 7S Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.
7. Nomination Procedure	118-121	7.Nomination Procedure	101-104	<p>UGI-GD Tariff No. 7S changed to reflect the following:</p> <p>Section 7.2, Contact Persons has been updated.</p> <p>Section 7.3 – the monthly release of interstate pipeline capacity changed from 34% to 45%. The MDQ of the PDDR changed from 26% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. The separate bundled sale on peak days amount of PDDR has been changed from 40% to 33%.</p> <p>Section 7.4 d. added if the capacity is needed to protect the Company’s gas distribution system integrity or meet the Company’s public utility obligations to conform with UGI North provision.</p>

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD South Tariff Nos. 6 and 6-S
				Added clarifying language to section 7.6.
8. Financial Security	122-124	8.Financial Security	105-108	UGI-GD Tariff No. 7S Section 8.2, Amount of Financial Security updated for clarity. In addition, Section 8.7, Notice changed reference from Section 8.4 to Section 8.5 regarding security adjustments.
9. Enrollment of Customers into Rate Schedules RT and NT	125	9.Enrollment of Customers into Rate Schedules RT and NT	109	No change.
Rate AG – Aggregation Service	126-128	Rate AG – Aggregation Service	110-112	UGI-GD Tariff No. 7S changes the penalty for failure to deliver DDR to include applicable transportation charges from Texas Eastern, M-2 to Texas Eastern, M-3. In addition, failure to comply with an OFO or DFD has been changed to \$50/Dth or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge of the UGI-GD Tariff No. 7, whichever is greater.
Aggregation Agreement (Pro Forma)	129-138	Aggregation Agreement (Pro Forma)	113-122	UGI-GD Tariff No. 7S Article XI, Notices and Correspondence has been updated to reflect current contact information.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-19	Description of Territory	5-8	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions - General	20-24	Definitions – General	9-13	Company - Changed from UGI Penn Natural Gas, Inc. to UGI Utilities, Inc. – Gas Division.
1. The Gas Service Tariff	25	1. The Gas Service Tariff	14	Section 1.3 – change reference to the Company’s website.
2. Contract for Gas Service	26-28	2. Contract for Gas Service	15-17	No change.
3. Guarantee of Payment	29-32	3. Guarantee of Payment	18-21	3.4 Amount of Deposit for Residential Accounts – added language to reference the Company’s Purchase of Receivables Program (POR) and to conform to UGI South.
4. Service – Supply Facilities	33-34	4. Service - Supply Facilities	22-23	No change.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
5. Extension Regulation	35-38	5. Extension Regulation	24-27	<p>Section 5.1 Obligation to Extend or Expand – added provision addressing the Customer’s request for a cost-benefit analysis related to clause (b) to conform with UGI South.</p> <p>Section 5.8.1 Availability and Purpose – Revised the term of the program from 5 years to 10 years.</p> <p>Section 5.8.3 GET Gas Rider – Monthly charge for Rate Schedules R, RT, N and NT have been revised.</p> <p>Section 5.8.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term.</p>
6. Customer’s Responsibility for Company’s Property	39-40	6. Customer’s Responsibility for Company’s Property	28-29	No change.
7. Meter Reading	41	7. Meter Reading	30	No change.
8. Billing and Payment	42-45	8. Billing and Payment	31-34	Section 8.11 – Joint Billing – Language revised to delete Electric Rate Schedules RWT and RTU which have been eliminated. Also, the reference to the scheduled upgrade in September 2017 has been deleted. In addition, the reference to PNG has been changed to UGI Utilities, Inc. – Gas Division.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
				Section 8.13 has been added which addresses the Purchase of Receivable (POR) program. Which has been expanded to UGI North and UGI Central.
9. Termination or Discontinuance of Service	46-47	9. Termination and Discontinuance of Service	35-36	No change.
10. Rider A - State Tax Surcharge	48	10. Rider A – State Tax Adjustment Surcharge	37	The rate has been reset to 0.00% in the proposed tariff.
11. Rider B – Section 1307 (f) Purchase Gas Cost	49-52	11. Rider B – Section 1307 (f) Purchased Gas Costs	38-41	Reference to Rate Schedule IS has been deleted to conform with UGI South. The Purchase Gas Cost rate has been recalculated to reflect a unified rate, inclusive of both c-factor and e-factor components.
12. Rider C – Extended TCJA Temporary Surcharge	53-54	12. Rider C – TCJA Temporary Surcharge	42	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D - Merchant Function Charge	55	13. Rider D – Merchant Function Charge	43	The rate has been recalculated to reflect a unified rate.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
14. Rider E – Gas Procurement Charge	56	14. Rider E – Gas Procurement Charge	44	Rate has been updated and reference to Rider F corrected to Rider E and the reference to an outdated Docket No. has been deleted.
15. Price to Compare	57	15. Price to Compare	45	Rates have been updated to reflect a unified rate.
16. Rider F - Universal Service Program	58-59	16. Rider F – Universal Service Program	46-47	The USP rate has been updated to reflect the unified Universal Service Program and unified rate. Annual Reconciliation – Updated number of participants and adjustment factor are based on combined data.
17. Rider G – Energy Efficiency and Conservation Rider	60-61	17. Rider G – Energy Efficiency and Conservation Rider	48-49	Rates have been updated to reflect a unified rate. The EE&C Program has been expanded to UGI Central.
18. Rider H – Technology and Economic Development Rider	62	18. Rider H – Technology and Economic Development Rider	50	No change.
19. Rider I – Distribution System Improvement Charge	63-66	18.A. Rider I – Distribution System Improvement Charge	51-54	This section is renumbered as Section 19 in the proposed tariff. The rate has been reset to 0.00% in the proposed tariff. Section 18.A.3 Computation of the DSIC - The reference to outdated Docket Nos. have been deleted.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
				Section 18.A.7.1 Cap – The DSIC cap has been revised from 7.5% to 5.0% to reflect a unified rate.
20. Rider J – Gas Delivery Enhancement Rider	67	18.B. Rider J – Gas Delivery Enhancement Rider	55-55(a)	This section has been renumbered in the proposed tariff as Section 20 and rates have been updated to reflect a unified rate.
21. Gas Emergency Planning	68-72	19. Gas Emergency Planning	56-60	Section 19.7 Limitation on Liability – revised an incorrect reference to Section 15 to Section 21 in the proposed tariff.
22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	20. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	61-67	<p>This section has been renumbered as Section 22 in the proposed tariff.</p> <p>Section 22.1(j) -Reduced lost and unaccounted for gas percentage from 1.6% to 1% to reflect a unified rate.</p> <p>Section 22.2 (b) – Daily Balancing – Increased daily balancing from 2.5% to 4.5% to reflect a unified rate.</p> <p>Section 22.2 (c) – Imbalance resolution – Created regionally based index pricing for: Shortfall Monthly Index, Excess Monthly Index, High Monthly Index, and Low Monthly Index.</p>

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
				Section 22.4 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge.
23. General Terms for Interconnection Coordination Services for Connecting Entities	82	21. General Terms for Interconnection Coordination Services for Connecting Entities	68	This section has been renumbered as Section 23 in the proposed tariff.
24. Extension and Expansion Fund	83	Not in Current Tariff No. 9	---	New tariff section in the proposed tariff.
25. Incentive Sharing of Interruptible Revenues	84	Not in Current Tariff No. 9	---	New tariff section in the proposed tariff.
Rate R – General Service - Residential	85	Rate R – General Service – Residential	69	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate RT – General Service – Residential Transportation	86-87	Rate RT - General Service – Residential Transportation	70-71	Rates have been updated. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GL – Gas Light Service	88	Rate GL – General Service – Gas Light Service	72	Rates have been updated. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
Rate N – General Service – Non-Residential	89	Rate N – General Service – Non-Residential	73	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate NT – General Service – Non-Residential Transportation	90-91	Rate NT - General Service – Non-Residential Transportation	74-75	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GBM – Gas Beyond the Mains	92-93	DELETED	N/A	This Rate Schedule has been cancelled.
Rate DS – Delivery Service	94-95	Rate DS – Delivery Service	76-77	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section. Capacity Charge language has been updated.
Rate NNS – No-Notice Service	96-97	Rate NNS – No Notice Service	78	Terms and Conditions – Daily balancing language modified from 2.5% to 4.5% to reflect a unified rate. Excess Requirement Option has been added to conform with UGI South. Rates have been updated to reflect a unified rate.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
Rate MBS – Monthly Balancing Service	98	Rate MBS – Monthly Balancing Service	79	Rates have been updated to reflect a unified rate.
Rate LFD – Large Firm Delivery Service	99-101	Rate LFD – Large Firm Delivery Services	80-82	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate XD – Extended Large Volume Delivery Service	102-104	Rate XD – Extended Large Firm Delivery Service	83-85	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate R/S – Retail and Standby Rider	105-107	Rate R/S – Retail Standby Rider	86-88	Rider A – State Tax Adjustment Surcharge will no longer apply to Rate R/S customers to conform with UGI South and UGI Central. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate IS – Interruptible Service – Small Volume	108-110	Rate IS – Interruptible Service	89-91	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Gas Choice Supplier Tariff		Gas Choice Supplier Tariff		
1. The Choice Supplier Tariff	111	1. The Choice Supplier Tariff	92	UGI-GD Tariff No. 7S updated Company website.
2. Choice Supplier Qualification	112	2. Choice Supplier Qualification	93	UGI-GD Tariff No. 7S Section 2.6 added to reference POR program expanded to all customers.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
3. Customer List	113	3. Customer List	94	UGI-GD Tariff No. 7S deleted reference to Rate DS customers in Section 3.1.
4. Choice Supplier Obligations	114-115	4. Choice Supplier Obligations	95	UGI-GD Tariff No. 7S Section 4.12 and Section 4.12 added to reference POR program expanded to all customers.
5. Operational Requirements	116	5.Operational Requirements	96	UGI-GD Tariff No. 7S Section 5.1 lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate. In addition, the following sections have been revised: Section 5.2 and Section 5.3 – failure to comply with a DFD or OFO penalty charges have been repositioned 117and now reference Section 22.4 of UGI-GD Tariff No. 7. Section 5.4 and Section 5.5 added to reference POR program expanded to all customers.
6. Billing and Payment	117	6.Billing and Payment	97	UGI-GD Tariff No. 7S Section 6.4 changed to include language for POR expansion to all customers. In addition, Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
7. Nomination Procedure	118-121	7.Nomination Procedure	98-101	<p>UGI-GD Tariff No. 7S changed to reflect the following:</p> <p>Section 7.2, Contact Persons has been updated.</p> <p>Section 7.3 – the monthly release of interstate pipeline capacity changed from 51% to 45%. The MDQ of the PDDR changed from 29% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. The separate bundled sale on peak days amount of PDDR has been changed from 20% to 33%.</p> <p>Section 7.3 a. – the lowest absolute low index price changed from Transco, Leidy Line receipts to Texas Eastern, M-2 receipts.</p> <p>Section 7.3 b. i. – the First of the Month Price changed from “Transcontinental Gas Pipe Line Corp., Zone-4” to “Columbia Gas Transmission Corp., Appalachia”.</p>
8. Financial Security	122-124	8.Financial Security	102-104	UGI-GD Tariff No. 7S Section 8.2 changed to reflect requirement from UGI-GD Tariff No. 6S. In addition,

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD North Tariff Nos. 9 and 9-S
				Section 8.6 - POR Requirements added and subsequent section renumbered.
9. Enrollment of Customers into Rate Schedules RT, and CT	125	9.Enrollment of Customers into Rate Schedules RT and NT	105	No change.
Rate AG – Aggregation Service	126-128	Rate AG – Aggregation Service	106-108	UGI-GD Tariff No. 7S changes the applicable index pricing for penalty for failure to deliver DDR and includes applicable transportation charges from Texas Eastern, M-2 to Texas Eastern, M-3. In addition, Failure to Comply with an OFO or DFD has been repositioned and now references Section 22.4 of UGI-GD Tariff No. 7.
Aggregation Agreement (Pro Forma)	129-138	Aggregation Agreement (Pro Forma)	109-118	UGI-GD Tariff No. 7S Article V, Billing Service Section 5.1 - Standard Billing Service has language added to reference POR. Section 5.4, Choice Supplier Budget Billing – language added that Company will provide budget billing to a Choice account if the customer is enrolled in POR. In addition, Article XI, Notices and Correspondence has been updated to reflect current contact information.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-19	Description of Territory	5-12	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions - General	20-24	Definitions - General	13-17	The definition of Company revised from UGI Central Penn Gas, Inc. to UGI Utilities, Inc. – Gas Division. Definition of Extension Application has been added to conform with UGI North and UGI South. Operational Flow Order definition has been revised to conform with UGI South and UGI North.
1. The Gas Service Tariff	25	1. The Gas Service Tariff	18	Section 1.3 – Filing and Posting – the Company’s web address has been updated.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
2. Contract for Gas Service	26-28	2. Contract for Gas Service	19-20	<p>Section 2.3 Facilities and System Access has been added which replaces the current Section 2.3 Reconnect Charge and to conform with UGI South and UGI North.</p> <p>Section 2.4 Selection of Rate Schedules has been added to conform with UGI South and UGI North.</p> <p>Remaining Sections have been renumbered and modified as needed to conform with the UGI South and UGI North.</p>
3. Guarantee of Payment	29-32	3. Guarantee of Payment	21-22(b)	<p>Section 3.2 – Additional Security from Large Volume Customers has been added to conform with UGI South and UGI North. All remaining sections have been renumbered.</p> <p>Current tariff Section 3.2 Deposits has been renumbered as Section 3.3 in the proposed tariff to conform with UGI South and UGI North.</p> <p>Current tariff Section 3.3 Amount of Deposit for Residential Accounts has been renumbered as</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Section 3.4 to conform with UGI South and UGI North. The Company's Purchase of Receivables Program (POR) has been expanded to UGI Central.
4. Service – Supply Facilities	33-34	4. Service – Supply Facilities	23	Section 4.1 Facilities Location has been renumbered as Section 4.2 and modified to include language addressing Company facilities on the premises to conform with UGI South and UGI North. Section 4.2 Fuel Line Designation has been renumbered as Section 4.4 to conform with UGI South and UGI North. Section 4.3 Facilities Ownership has been renumbered as Section 4.1 and modified to conform with UGI South and UGI North. Section 4.4 Facilities Relocation has been renumbered as Section 4.5 and modified to include clause (b) addressing ancillary fuel line work to conform with UGI South and UGI North.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Section 4.5 Non-Standard Service has been renumbered as Section 4.7 to conform with UGI South and UGI North.</p> <p>Section 4.6 Reverse Flow has been deleted to conform with UGI South and UGI North.</p> <p>Section 4.7 Excess Flow valves has been renumbered as Section 4.9 to conform with UGI South and UGI North.</p> <p>Customer Convenience Valve has been added as Section 4.3 to conform with UGI South and UGI North.</p> <p>Right of Removal has been added as Section 4.6 to conform with UGI South and UGI North.</p> <p>Protection of Company Facilities has been added as Section 4.8 to conform with UGI South and UGI North.</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
5. Extension Regulation	35-38	5. Extension Regulation	24-27(b)	<p>Section 5.1 Obligation to Extend renamed to include Expand. Also added provision addressing the Customer’s request for a cost-benefit analysis related to clause (b) to conform with UGI South and UGI North.</p> <p>Section 5.3 renamed to include Small Commercial Gas Service to conform with UGI South and UGI North.</p> <p>Section 5.4 Commercial and Industrial Gas Service has been revised and clause (b) has been deleted to conform with UGI South and UGI North.</p> <p>Section 5.5 has been renamed Contributions and Refunds to conform with UGI South and UGI North.</p> <p>Section 5.6 has been renamed Taxes on Contributions for Construction & Customer Advances to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Section 5.7 Special Utility Service has been deleted to conform with UGI South and UGI North.</p> <p>Section 5.9.1 – Availability and Purpose – Revised the term of the program from 5 years to 10 years and renumbered as Section 5.8.1 to conform with UGI South and UGI North.</p> <p>Section 5.9.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term and renumbered as Section 5.8.5 to conform with UGI South and UGI North.</p> <p>Section 5.9 Pilot Growth Extension Tariff (“GET GAS”) Rider has been renumbered as Section 5.8. Section 5.8.3 (renumbered) – Monthly charge for Rate Schedules R, RT, N and NT have been revised to conform with UGI South and UGI North.</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
6. Customer's Responsibility for Company's Property	39-40	6. Customer's Responsibility for Company's Property	28-29	Section 6.9 Company's Right to Inspect has been added to conform with UGI South and UGI North.
7. Meter Reading	41	7. Meter Reading	30	Section 7.1 Definition of a Cubic Foot - reference to British Thermal Unit has been removed to conform with UGI South and UGI North. Section 7.3 Pressure Correction – additional language added addressing the cost of a supplemental pressure device to conform with UGI South and UGI North. Section 7.4 Heating Value Correction has been deleted and the remaining Sections have been renumbered to conform with UGI South and UGI North.
8. Billing and Payment	42-45	8. Billing and Payment	31-33	8.10 Application of Payments for Rates RT, NT and CT has been revised to delete Rate CT which has been cancelled to conform with UGI South and UGI North.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Section 8.11 Joint Billing has been added to conform with UGI South and UGI North.</p> <p>Section 8.12 Payment Refunds has been added to conform with UGI South and UGI North.</p> <p>Section 8.13 has been added which references the Company's Purchase of Receivable (POR) program and the expansion of the POR Program to UGI Central to conform with UGI South and UGI North.</p>
9. Termination or Discontinuance of Service	46-47	9. Termination and Discontinuance of Service	34-35	<p>Section 9.1 (a) Termination of Service – the reconnect charge has been increased from \$55 to \$73 to conform with UGI South and UGI North.</p> <p>The reconnect fee, outside of normal business hours, for \$250 has been deleted to conform with UGI South and UGI North.</p> <p>Section 9.4 Reconnect Charge has been added to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
10. Rider A - State Tax Surcharge	48	10. Rider A – State Tax Adjustment Surcharge	35	<p>The STAS rate has been reset to 0.00% in the proposed tariff.</p> <p>Reference to Rate CIAC has been deleted because this rate has been cancelled.</p> <p>Applicable rate schedules are updated to conform with UGI South and UGI North.</p>
11. Rider B – Section 1307 (f) Purchase Gas Costs	49-52	11. Rider B – Section 1307 (f) Purchased Gas Costs	36-39	<p>Reference to Rate CIAC has been deleted because this rate has been cancelled.</p> <p>Language added to the Computation of Purchased Gas Costs per Mcf that addresses the discontinuation of service by natural gas supplier to conform with UGI South and UGI North.</p> <p>Definitions: added language that references PGC capacity by transportation customers to conform with UGI South and UGI North.</p> <p>Revenue Sharing Allocation - Language related to non-Choice firm transportation customers has been removed consistent with the use of capacity</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				releases for non-Choice firm transportation customers who may now generate their own off-system sales offsets. The Purchase Gas Cost rate has been updated to reflect a unified rate, inclusive of both c-factor and e-factor components.
12. Rider C – Extended TCJA Temporary Surcharge	53-54	12. Rider C – TCJA Temporary Surcharge	40	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D - Merchant Function Charge	55	13. Rider D – Merchant Function Charge	41	The Rate has been recalculated to reflect a unified rate.
14. Rider E. Gas Procurement Charge	56	14.A. Rider F – Gas Procurement Charge	43 (a)	This section and Rider have been renumbered and relabeled in the proposed tariff as Section 14, Rider E to conform with UGI South and UGI North. Reference to Rate CIAC has been deleted as this rate has been cancelled.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Reference to outdated Docket Nos. have been deleted. The rate has been revised to reflect a unified rate.
15. Price to Compare	57	14. B. Price to Compare	43 (a)	This section has been renumbered in the proposed tariff as Section 15 to conform with UGI South and UGI North. The rates have been revised to reflect a unified rate.
16. Rider F – Universal Service Program	58-59	14. Rider E – Universal Service Program	42-43	This section and Rider have been renumbered and relabeled in the proposed tariff as Section 16, Rider F to conform with UGI South and UGI North. The USP rate has been updated to reflect the unified Universal Service Program and unified rate. Annual Reconciliation – shortfall has been changed to CAP. Updated number of participants and adjustment factor are based on combined data.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				In addition, language has been added and removed in order to conform with UGI South and UGI North
17. Rider G – Energy Efficiency and Conservation Rider	60-61	Not in Tariff No. 4	---	New Rider applicable to proposed tariff.
18. Rider H – Technology and Economic Development Rider	62	Not in Tariff No. 4	---	New Rider applicable to proposed tariff.
19. Rider I – Distribution System Improvement Charge	63-66	14.C. Rider G – Distribution System Improvement Charge	43(b)–43(e)	<p>This section is renumbered and relabeled in the Proposed Tariff as Section 19, Rider I to conform with UGI South and UGI North.</p> <p>The DSIC rate has been reset to 0.00%.</p> <p>The reference to outdated Docket Nos. has been deleted.</p> <p>Section 14.C.3 Effective Date has been deleted.</p> <p>Section 14.C.3 has deleted language referencing the initial DSIC implementation.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Section 14.C.8 (1) The DSIC is capped at 5% to conform with UGI South and UGI North.
20. Rider J – Gas Delivery Enhancement Rider	67	14.D. Rider J – Gas Delivery Enhancement Rider	43(f)-43(g)	Rates have been updated to reflect a unified rate.
21. Gas Emergency Planning	68-72	15. Gas Emergency Planning	44-48	<p>This section has been renumbered in the proposed tariff as Section 21 to conform with UGI South and UGI North.</p> <p>Reference to Rates CIAC and CT have deleted as these rate classes have been canceled.</p> <p>Section 15.3 (d) Mandatory Reductions has been modified to conform with UGI South and UGI North.</p> <p>Section 15.9, clauses (a), (b) and (c) have been redesignated as Section 15.10 Penalties for Unauthorized Takes and renumbered in the proposed tariff as Section 21.10 to conform with UGI South and UGI North.</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	16. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	49-56	<p>This section has been renumbered in the proposed tariff as Section 22 to conform with UGI South and UGI North.</p> <p>Section 16.1(i) -Reduced lost and unaccounted for gas percentage from 2.4% to 1% to reflect a unified rate. Renumbered in the proposed tariff as Section 22.1(j) to conform with UGI South and UGI North.</p> <p>Section 16.3(b) – Daily Balancing – Daily balancing language modified from 2.5% to 4.5% to reflect a unified rate. Renumbered in the proposed tariff as Section 22.2(b) to conform with UGI South and UGI North.</p> <p>Section 16.3 (c) – Imbalance resolution – Eliminated Average Monthly Index. Created Excess Monthly Index and Shortfall Monthly Index with regionally based prices. Renumbered in the proposed tariff as Section 22.2(c).</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Section 16.5 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge. Renumbered in the proposed tariff as Section 22.4.
23. General Terms for Interconnection Coordination Services for Connecting Entities	82	17. General Terms for Interconnection Coordination Services for Connecting Entities	56A	This section has been renumbered in the proposed tariff as Section 23 to conform with UGI South and UGI North.
24. Extension and Expansion Fund	83	Not in Tariff No. 4	---	New tariff section applicable to proposed tariff.
25. Incentive Sharing of Interruptible Revenues	84	Not in Tariff No. 4	---	New tariff section applicable to proposed tariff.
Rate R – General Service - Residential	85	Rate R – General Service – Residential	57-58	Standby Availability provision has been deleted to conform with UGI South and UGI North. Rates have been updated to reflect a unified rate. Rider B – Section 1307 (f) Purchased Gas Cost has been added to Surcharges and Riders section to conform with UGI South and UGI North. Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North.</p> <p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation program has been expanded to UGI Central. Rider G has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>
Rate RT – General Service – Residential Transportation	86-87	Rate RT - General Service – Residential Transportation	59-60	Standby Availability provision has been deleted to conform with UGI South and UGI North.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North.</p> <p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation program has been expanded to UGI Central and Rider G has been added to Surcharges and Riders</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				section to conform with UGI South and UGI North.
Rate GL – Gas Light Service	88	Rate GL – General Service – Gas Light Service	61	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Payment section has been added to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>
Rate N – General Service – Non-Residential	89	Rate N – General Service – Non-Residential	62-63	Availability Section has been modified to delete reference to Rate Schedules IS, DS, LFD and XD and replaced with language addressing any transportation service and to conform with UGI South and UGI North.

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Rates have been updated to reflect a unified rate.</p> <p>Standby Availability provision has been deleted to conform with UGI South and UGI North.</p> <p>Rider B – Section 1307 (f) Purchased Gas Cost has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North.</p> <p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>
Rate NT – General Service – Non-Residential Transportation	90-91	Rate NT - General Service – Non-Residential Transportation	64-65	Availability Section has been modified to remove reference to delete reference to Rate Schedules IS, DS, LFD and XD and replaced with language addressing any transportation service and to conform with UGI South and UGI North.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Rates have been updated to reflect a unified rate.</p> <p>Standby Availability provision has been deleted to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
Rate GBM – Gas Beyond the Mains	92-93	Rate GBM – Gas Beyond the Mains	66-67	Rate GBM has been cancelled for UGI Central, however, this rate schedule is still applicable for UGI South customers.
Rate DS – Delivery Service	94-95	Rate DS – Delivery Service	72-73	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Capacity Charge language has been added to conform with UGI South and UGI North.</p> <p>General Terms and Rules and Regulations sections have been deleted to conform with UGI South and UGI North.</p> <p>Retainage Rate section has been added to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Rider I to conform with UGI South and UGI North.</p> <p>Proposed Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p>
Rate NNS – No-Notice Service	96-97	Rate NNS – No Notice Service	74-75	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Terms and Conditions – Increased daily balancing from 2.5% to 4.5% to reflect a unified rate.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Excess Requirement Option has been added to conform with UGI South.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
Rate MBS – Monthly Balancing Service	98	Rate MBS – Monthly Balancing Service	76	Rates have been updated to reflect a unified rate.
Rate LFD – Large Firm Delivery Service	99-101	Rate LFD – Large Firm Delivery Services	77-80	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Riders section to conform with UGI South and UGI North.</p> <p>General Terms and Rules and Regulations sections have been deleted to conform with UGI South and UGI North.</p>
Rate XD – Extended Large Volume Delivery Service	102-104	Rate XD – Extended Large Firm Delivery Service	81-83	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Rider A – State Tax Adjustment Surcharge has been deleted to conform to UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Charge for Unauthorized Overrun has been increased to \$27.50 to conform to UGI North.</p> <p>General Terms, Rules and Regulations, and Waiver of Penalty sections have been deleted to conform with UGI South and UGI North.</p> <p>Retainage Rate section has been added to conform with UGI South and UGI North.</p>
Rate R/S – Retail and Standby Rider	105-107	Rate R/S – Retail and Standby Rider	84-86	<p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
Rate IS – Interruptible Service	108-110	Rate IS – Interruptible Service	87-89	<p>Interruptible Notification section has been updated to conform with UGI South and UGI North.</p> <p>Rider A – State Tax Adjustment Surcharge has been deleted to conform to UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Charge for Unauthorized Overrun has been increased to \$50.00 to conform with UGI South and UGI North.</p> <p>General Terms, Rules and Regulations, and Waiver of Penalty sections have been deleted to conform with UGI South and UGI North.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Retainage Rate section has been added to conform with UGI South and UGI North.
Gas Choice Supplier Tariff		Gas Choice Supplier Tariff		
1. The Choice Supplier Tariff	111	1. The Choice Supplier Tariff	90	UGI-GD Tariff No. 7S updated Company website and references to Rate CT are deleted to reflect the cancellation of this rate schedule.
2. Choice Supplier Qualification	112	2. Choice Supplier Qualification	91-92	Section 2.1 of UGI-GD Tariff No. 7S has been modified to include Sections 2.1, 2.3, and 2.4 of UGI-GD Central Tariff No. 4S. The subsequent sections have been renumbered. Section 2.6 in UGI-GD Central Tariff No. 4S has been deleted and new Section 2.6 added to UGI-GD Tariff No. 7S to reference POR program expanded to all customers.
3. Customer List	113	3. Customer List	93	UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT and reference to Rate DS has been deleted in Section 3.1. Confidentiality Agreement replaces Electronic Trading Partner Agreement in Section 3.2.

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
4. Choice Supplier Obligations	114-115	4. Choice Supplier Obligations	94	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT. In addition, the following sections have been revised:</p> <p>Section 4.1 updated for Choice Suppliers to comply with provisions of Section 7 in Choice Supplier Tariff.</p> <p>Section 4.12 and Section 4.13 added for POR expansion to all customers.</p>
5. Operational Requirements	116	5.Operational Requirements	95	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>Section 5.1 – lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate.</p> <p>Section 5.2 & Section 5.3 updated to include language that the Company agrees to deliver DFD and OFO notices via e-mail to customer supplied e-mail address. Failure to comply with a DFD or OFO penalty charges have been repositioned and now reference Section 22.4 of UGI-GD Tariff No. 7.</p>

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Section 5.4 and 5.5 added for POR expansion to all customers.
6. Billing and Payment	117	6.Billing and Payment	96-97	UGI-GD Tariff No. 7S Section 6.4 changed to include language for POR expansion to all customers. Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.
7. Nomination Procedure	118-121	7.Nomination Procedure	98-99(b)	UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT. Section 7.2, Contact Persons has been updated. Section 7.3 heading changed from Pipeline Capacity to Mandatory Assignment. The monthly release of interstate pipeline capacity changed from 66% to 45%. The MDQ of the PDDR changed from 17% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. Separate bundled sale on

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<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>peak days amount of PDDR has been changed from 17% to 33%.</p> <p>Section 7.3 b. i. – the First of the Month Price changed from “Texas Eastern Transmission Corp., M-2 receipts” to “Columbia Gas Transmission Corp., Appalachia”.</p> <p>Language regarding capacity recall being made on Critical Days where Choice Supplier fails to have capacity scheduled for delivery removed in Section 7.4.c.</p> <p>Section 7.4 d. added if the capacity is needed to protect the Company’s gas distribution system integrity or meet the Company’s public utility obligations to conform with UGI North provisions.</p>
8. Financial Security	122-124	8.Financial Security	100-101	UGI-GD Tariff No. 7S Section 8.2 changed to reflect requirement from UGI-GD Tariff No. 6S. In addition, the following sections have been revised:

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				Section 8.4 - Call Options and Section 8.6 - POR Requirements added. The subsequent sections have been renumbered.
9. Enrollment of Customers into Rate Schedules RT and NT	125	9.Enrollment of Customers into Rate Schedules RT, NT and CT	102	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>The number of days in Section 9.3 – Determination of Gas Flow Date has been changed from 10 days to 5 days.</p> <p>Section 9.4 – Multiple Enrollments has been eliminated.</p>
Rate AG – Aggregation Service	126-128	Rate AG – Aggregation Service	103-106	<p>UGI-GD Tariff No. 7S adds language for Pipeline Capacity and Bundled Sales to the Rate Table in addition to the following changes:</p> <p>Switching fee has been eliminated.</p> <p>Reference to Rate AG Enrollment Fee has been deleted and is included in Section 2.1.</p> <p>Reference to Credit Check Fee has been deleted and is included in Section 2.5.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Added language to Penalties Section detailing penalty calculation for Failure to Deliver DDR.</p> <p>Failure to Comply with an OFO or DFD has been changed to \$50/Dth or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge of UGI-GD Tariff No. 7, whichever is greater.</p> <p>Right of First Refusal section has been deleted.</p> <p>Daily Flow Directives and Operational Flow Orders have been moved to definitions section.</p>
Aggregation Agreement (Pro Forma)	129-138	Aggregation Agreement (Pro Forma)	107-118	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>Article I, Definitions. Several Sections have been repositioned within Article I. Section 5, Daily Flow Directive has been eliminated; Section 7, Operational Flow Order has been eliminated.</p>

<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Current UGI-GD Central Tariff Nos. 4 and 4S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Proposed UGI-GD Tariff Nos. 7 and 7S to Current UGI-GD Central Tariff Nos. 4 and 4-S
				<p>Article III, Choice Supplier’s Obligations. Several Sections have been repositioned within Article III. The following sections have been eliminated: Section 2 - Upstream Pipeline Capacity, Section 3 - Natural Gas Suppliers, Section 4 - Customer Enrollment, Section 5 - DDR, Section 6 - Charges.</p> <p>Article IV, Company’s Obligation Section 3, Enrollment Notification has changed customer response time from 10 days to 5 days.</p> <p>Article V, Billing Service Section 5.1 - Standard Billing Service has language added to reference POR and number of days supplier has to provide billing rate information changed from 10 days to 15 days. Section 5.4, Choice Supplier Budget Billing – language added that Company will provide budget billing to a Choice account if the customer is enrolled in POR.</p> <p>Article XI, Notices and Correspondence has been updated to reflect current contact information.</p>

LIST OF CHANGES

**UGI GAS Current – South Rate District
Tariff Nos. 6 and 6-S**

**UGI GAS Current – North Rate District
Tariff Nos. 9 and 9-S**

**UGI GAS Current – Central Rate District
Tariff Nos. 4 and 4-S**

To

UGI GAS Proposed Tariff Nos. 7 and 7S

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-6	Description of Territory	5-19	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions – General	7-11	Definitions - General	20-24	No change.
1. The Gas Service Tariff	12	1. The Gas Service Tariff	25	Section 1.5 – Liability and Legal Remedies has been added to the proposed tariff to conform with UGI North and Central.
2. Contract for Gas Service	13-15	2. Contract for Gas Service	26-28	Section 2.3 (a) – 30-day reference changed to 60-days for advance notice by Customers to conform with UGI North. Section 2.3 (b) – To conform with UGI North, the 45-day reference changed to 90-days for the

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Company’s right to approve Customer gas facility plans. Removed auto-approval provision.</p> <p>Section 2.3 (c) – references the 60-day notice in Section 2.3 (a). The provision to provide written notice to all customers with a DFR or peak usage of 1,000 Mcf per day or greater has been removed.</p>
3. Guarantee of Payment	16-19	3. Guarantee of Payment	29-32	No change.
4. Service - Supply Facilities	20-21	4. Service – Supply Facilities	33-34	No change.
5. Extension Regulation	22-26	5. Extension Regulation	35-38	<p>Section 5.2 (c) was renamed Estimates and Non-Standard Costs from just Estimates to conform with UGI North and Central.</p> <p>Section 5.8.1 – Availability and Purpose – Revised the term of the program from 5 years to 10 years.</p> <p>Section 5.8.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term.</p>

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<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				5.8.3 GET Gas Rider – Monthly charge for Rate Schedules R, RT, N and NT have been revised.
6. Customer’s Responsibility for Company’s Property	27-28	6. Customer’s Responsibility for Company’s Property	39-40	No change.
7. Meter Reading	29	7. Meter Reading	41	No change.
8. Billing and Payment	30-32	8. Billing and Payment	42-45	Section 8.8 – Return Payment Service Charge – amount increased from \$20 to \$35 to conform with UGI North and Central. Section 8.11 – Joint Billing – has been added. Sections 8.11 and 8.12 in Tariff No. 6 have been renumbered in the proposed tariff as Sections 8.12 and 8.13.
9. Termination and Discontinuance of Service	33-34	9. Termination or Discontinuance of Service	46-47	No change.
10. Rider A – State Tax Adjustment Surcharge	35	10. Rider A - State Tax Surcharge	48	The STAS rate has been reset to 0.00% in the proposed tariff.
11. Rider B – Section 1307 (f) Purchased Gas Costs	36-39	11. Rider B – Section 1307 (f) Purchase Gas Cost	49-52	Outdated Interruptible Revenue Credit (IRC) language has been deleted from the proposed tariff. Revenue Sharing Allocation - Language related to non-Choice firm transportation customers has been

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				removed consistent with the use of capacity releases for non-Choice firm transportation customers who may now generate their own off-system sales offsets. The Purchase Gas Cost rate has been recalculated to reflect a unified rate, inclusive of both c-factor and e-factor components.
12. Rider C – TCJA Temporary Surcharge	40	12. Rider C – Extended TCJA Temporary Surcharge	53-54	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D – Merchant Function Charge	41	13. Rider D - Merchant Function Charge	55	The rate has been recalculated to reflect a unified rate.
14. Rider E – Gas Procurement Charge	42	14. Rider E – Gas Procurement Charge	56	Rate has been updated and reference to outdated Docket No. has been deleted.
15. Price to Compare	43	15. Price to Compare	57	Rates have been updated to reflect a unified rate.
16. Rider F – Universal Service Program	44-45	16. Rider F - Universal Service Program	58-59	The USP rate has been updated to reflect the unified Universal Service Program and unified rate.

<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Annual Reconciliation – Updated number of participants and adjustment factor are based on combined data.
17. Rider G – Energy Efficiency and Conservation Rider	46-47	17. Rider G – Energy Efficiency and Conservation Rider	60-61	Rates have been updated to reflect a unified rate. The EE&C Program has been expanded to UGI Central.
18. Rider H – Technology and Economic Development Rider	48	18. Rider H – Technology and Economic Development Rider	62	No change.
18.A. Rider I – Distribution System Improvement Charge	49-52	19. Rider I – Distribution System Improvement Charge	63-66	This section is renumbered as Section 19 in the proposed tariff. The rate has been reset to 0.00% in the proposed tariff. Section 18.A.3 Effective Date has been deleted. The reference to outdated Docket Nos. has been deleted.
18.B. Rider J – Gas Delivery Enhancement Rider	52(a)-52(b)	20. Rider J – Gas Delivery Enhancement Rider	67	This section has been renumbered in the proposed tariff as Section 20 and rates have been updated to reflect a unified rate.
19. Gas Emergency Planning	53-57	21. Gas Emergency Planning	68-72	This section has been renumbered as Section 21 in the proposed tariff.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Section 19.10 (b) Penalties for Unauthorized Takes has been updated to reference Section 22.4.
20. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	58-63	22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	<p>This section has been renumbered as Section 22 in the proposed tariff.</p> <p>Section 22.1 (j)- Increased lost and unaccounted for gas percentage from .1% to 1% to reflect a unified rate.</p> <p>Section 22.2(b) – Daily Balancing – Reduced daily balancing from 10.0% to 4.5% to reflect a unified rate.</p> <p>Section 22.2(c) – Imbalance resolution –Eliminated Average Monthly Index. Created Excess Monthly Index and Shortfall Monthly Index with regionally based prices.</p> <p>Section 22.4 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge.</p>

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
21. General Terms for Interconnection Coordination Services for Connecting Entities	64	23. General Terms for Interconnection Coordination Services for Connecting Entities	82	This section has been renumbered as Section 23 in the proposed tariff.
Rate R – General Service – Residential	65	Rate R – General Service - Residential	85	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate RT - General Service – Residential Transportation	66-67	Rate RT – General Service – Residential Transportation	86-87	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GL – General Service – Gas Light Service	68	Rate GL – Gas Light Service	88	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section. Monthly usage assumptions have been expanded for large consumption input fixtures. Payment section has been added.
Rate N – General Service – Non Residential	69-70	Rate N – General Service – Non-Residential	89	Rates have been updated to reflect a unified rate.

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Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate NT - General Service – Non Residential Transportation	71-72	Rate NT – General Service – Non-Residential Transportation	90-91	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate GBM – Gas Beyond the Mains	73-74	Rate GBM – Gas Beyond the Mains	92-93	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate DS – Delivery Service	75-76	Rate DS – Delivery Service	94-95	Rates have been updated to reflect a unified rate. Capacity Charge language has been updated. Single block distribution charge replaces two block distribution charge to conform with UGI North and UGI Central. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate NNS – No Notice Service	77-78	Rate NNS – No-Notice Service	96-97	Terms and Conditions - Daily balancing language modified from 10.0% to 4.5% to reflect a unified rate. Rates have been updated to reflect a unified rate.

<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Rate MBS – Monthly Balancing Service	79	Rate MBS – Monthly Balancing Service	98	Rates have been updated to reflect a unified rate.
Rate LFD – Large Firm Delivery Services	80-83	Rate LFD – Large Firm Delivery Service	99-101	<p>Rates have been updated to reflect a unified rate.</p> <p>Single block distribution charge replaces two block distribution charge to conform with UGI North and UGI Central.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p> <p>Off-Peak Usage Option has been eliminated to conform with UGI North and UGI Central.</p> <p>Charge for Unauthorized Overrun rate has been increased from \$25.00/Mcf to \$27.50/Mcf to conform with UGI North.</p>
Rate XD – Extended Large Firm Delivery Service	84-86	Rate XD – Extended Large Volume Delivery Service	102-104	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p> <p>Charge for Unauthorized Overrun language has been modified and overrun rate has been increased from</p>

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				\$25.00/Mcf to \$27.50/Mcf to conform with UGI North.
Rate R/S – Retail Standby Rider	87-89	Rate R/S – Retail and Standby Rider	105-107	No changes.
Rate IS – Interruptible Service	90-92	Rate IS – Interruptible Service	108-110	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Gas Choice Supplier Tariff		Gas Choice Supplier Tariff		
1. The Choice Supplier Tariff	93	1.The Choice Supplier Tariff	111	No change.
2. Choice Supplier Qualification	94	2. Choice Supplier Qualification	112	No change.
3. Customer List	95	3. Customer List	113	UGI-GD Tariff No. 7S deleted reference to Rate DS customers in Section 3.1.
4. Choice Supplier Obligations	96-97	4. Choice Supplier Obligations	114-115	UGI-GD Tariff No. 7S Section 4.12 changed residential POR percentage from 97.67% to 97.78%. Commercial POR percentage changed from 99.50% to 99.62%.
5. Operational Requirements	98	5.Operational Requirements	116	UGI-GD Tariff No. 7S Section 5.1 lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate. In addition, the following sections have been revised: Section 5.2 and Section 5.3 – failure to comply with a DFD or OFO penalty charges have been repositioned

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				and now reference Section 22.4 of UGI-GD Tariff No. 7. Section 5.4 review based on previous 12 months actual usage has been eliminated as eligibility is performed upon enrollment.
6. Billing and Payment	99-100	6.Billing and Payment	117	UGI-GD Tariff No. 7S Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.
7. Nomination Procedure	101-104	7.Nomination Procedure	118-121	UGI-GD Tariff No. 7S changed to reflect the following: Section 7.2, Contact Persons has been updated. Section 7.3 – the monthly release of interstate pipeline capacity changed from 34% to 45%. The MDQ of the PDDR changed from 26% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. The separate bundled sale on peak days amount of PDDR has been changed from 40% to 33%. Section 7.4 d. added if the capacity is needed to protect the Company’s gas distribution system

<u>Current UGI-GD South Tariff Nos. 6 and 6-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD South Tariff Nos. 6 and 6-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				integrity or meet the Company's public utility obligations to conform with UGI North provisions. Added clarifying language to section 7.6.
8. Financial Security	105-108	8.Financial Security	122-124	UGI-GD Tariff No. 7S Section 8.2, Amount of Financial Security updated for clarity. In addition, Section 8.7, Notice changed reference from Section 8.4 to Section 8.5 regarding security adjustments.
9. Enrollment of Customers into Rate Schedules RT and NT	109	9.Enrollment of Customers into Rate Schedules RT and NT	125	No change.
10. Rate AG – Aggregation Service	110-112	Rate AG – Aggregation Service	126-128	UGI-GD Tariff No. 7S changes the penalty for failure to deliver DDR to include applicable transportation charges from Texas Eastern, M-2 to Texas Eastern, M-3. In addition, failure to comply with an OFO or DFD has been changed to \$50/Dth or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge of the UGI-GD Tariff No. 7, whichever is greater.
11. Aggregation Agreement (Pro Forma)	113-122	Aggregation Agreement (Pro Forma)	129-138	UGI-GD Tariff No. 7S Article XI, Notices and Correspondence has been updated to reflect current contact information.

Original UGI Utilities, Inc.- Gas Division Gas Service Tariff Pa. P.U.C. Nos. 7 and 7S
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<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-8	Description of Territory	5-19	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions – General	9-13	Definitions - General	20-24	Company - Changed from UGI Penn Natural Gas, Inc. to UGI Utilities, Inc. – Gas Division.
1. The Gas Service Tariff	14	1. The Gas Service Tariff	25	Section 1.3 – change reference to the Company’s website.
2. Contract for Gas Service	15-17	2. Contract for Gas Service	26-28	No change.
3. Guarantee of Payment	18-21	3. Guarantee of Payment	29-32	3.4 Amount of Deposit for Residential Accounts – added language to reference the Company’s Purchase of Receivables Program (POR) and to conform to UGI South.

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
4. Service - Supply Facilities	22-23	4. Service – Supply Facilities	33-34	No change.
5. Extension Regulation	24-27	5. Extension Regulation	35-38	<p>Section 5.1 Obligation to Extend or Expand – added provision addressing the Customer’s request for a cost-benefit analysis related to clause (b) to conform with UGI South.</p> <p>Section 5.8.1 Availability and Purpose – Revised the term of the program from 5 years to 10 years.</p> <p>Section 5.8.3 GET Gas Rider – Monthly charge for Rate Schedules R, RT, N and NT have been revised.</p> <p>Section 5.8.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term.</p>
6. Customer’s Responsibility for Company’s Property	28-29	6. Customer’s Responsibility for Company’s Property	39-40	No change.
7. Meter Reading	30	7. Meter Reading	41	No change.
8. Billing and Payment	31-34	8. Billing and Payment	42-45	Section 8.11 – Joint Billing – Language revised to delete Electric Rate Schedules RWT and RTU which have been eliminated. Also, the reference to the

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<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>scheduled upgrade in September 2017 has been deleted. In addition, the reference to PNG has been changed to UGI Utilities, Inc. – Gas Division.</p> <p>Section 8.13 has been added which addresses the Purchase of Receivable (POR) program. Which has been expanded to UGI North and UGI Central.</p>
9. Termination and Discontinuance of Service	35-36	9. Termination or Discontinuance of Service	46-47	No change.
10. Rider A – State Tax Adjustment Surcharge	37	10. Rider A - State Tax Adjustment Surcharge	48	The rate has been reset to 0.00% in the proposed tariff.
11. Rider B – Section 1307 (f) Purchased Gas Costs	38-41	11. Rider B – Section 1307 (f) Purchase Gas Cost	49-52	<p>Reference to Rate Schedule IS has been deleted to conform with UGI South.</p> <p>The Purchase Gas Cost rate has been recalculated to reflect a unified rate, inclusive of both c-factor and e-factor components.</p>
12. Rider C – TCJA Temporary Surcharge	42	12. Rider C – Extended TCJA Temporary Surcharge	53-54	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1,

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D – Merchant Function Charge	43	13. Rider D - Merchant Function Charge	55	The rate has been recalculated to reflect a unified rate.
14. Rider E – Gas Procurement Charge	44	14. Rider E – Gas Procurement Charge	56	Rate has been updated and reference to Rider F corrected to Rider E and the reference to an outdated Docket No. has been deleted.
15. Price to Compare	45	15. Price to Compare	57	Rates have been updated to reflect a unified rate.
16. Rider F – Universal Service Program	46-47	16. Rider F - Universal Service Program	58-59	The USP rate has been updated to reflect the unified Universal Service Program and unified rate. Annual Reconciliation – Updated number of participants and adjustment factor are based on combined data.
17. Rider G – Energy Efficiency and Conservation Rider	48-49	17. Rider G – Energy Efficiency and Conservation Rider	60-61	Rates have been updated to reflect a unified rate. The EE&C Program has been expanded to UGI Central.
18. Rider H – Technology and Economic Development Rider	50	18. Rider H – Technology and Economic Development Rider	62	No change.
18.A. Rider I – Distribution System Improvement Charge	51-54	19. Rider I – Distribution System Improvement Charge	63-66	This section is renumbered as Section 19 in the proposed tariff.

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>The rate has been reset to 0.00% in the proposed tariff.</p> <p>Section 18.A.3 Computation of the DSIC - The reference to outdated Docket Nos. have been deleted.</p> <p>Section 18.A.7.1 Cap – The DSIC cap has been revised from 7.5% to 5.0% to reflect a unified rate.</p>
18.B. Rider J – Gas Delivery Enhancement Rider	55-55(a)	20. Rider J – Gas Delivery Enhancement Rider	67	This section has been renumbered in the proposed tariff as Section 20 and rates have been updated to reflect a unified rate.
19. Gas Emergency Planning	56-60	21. Gas Emergency Planning	68-72	Section 19.7 Limitation on Liability – revised an incorrect reference to Section 15 to Section 21 in the proposed tariff.
20. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	61-67	22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	<p>This section has been renumbered as Section 22 in the proposed tariff.</p> <p>Section 22.1(j) -Reduced lost and unaccounted for gas percentage from 1.6% to 1% to reflect a unified rate.</p> <p>Section 22.2 (b) – Daily Balancing – Increased daily balancing from 2.5% to 4.5% to reflect a unified rate.</p>

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 22.2 (c) – Imbalance resolution – Created regionally based index pricing for: Shortfall Monthly Index, Excess Monthly Index, High Monthly Index, and Low Monthly Index.</p> <p>Section 22.4 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge.</p>
21. General Terms for Interconnection Coordination Services for Connecting Entities	68	23. General Terms for Interconnection Coordination Services for Connecting Entities	82	This section has been renumbered as Section 23 in the proposed tariff.
Rate R – General Service – Residential	69	Rate R – General Service - Residential	85	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p>
Rate RT - General Service – Residential Transportation	70-71	Rate RT – General Service – Residential Transportation	86-87	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.</p>
Rate GL – General Service – Gas Light Service	72	Rate GL – Gas Light Service	88	Rates have been updated to reflect a unified rate.

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate N – General Service – Non Residential	73	Rate N – General Service – Non-Residential	89	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate NT - General Service – Non Residential Transportation	74-75	Rate NT – General Service – Non-Residential Transportation	90-91	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate DS – Delivery Service	76-77	Rate DS – Delivery Service	94-95	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section. Capacity Charge language has been updated.
Rate NNS – No Notice Service	78	Rate NNS – No-Notice Service	96-97	Terms and Conditions – Daily balancing language modified from 2.5% to 4.5% to reflect a unified rate. Excess Requirement Option has been added to conform with UGI South. Rates have been updated to reflect a unified rate.

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Rate MBS – Monthly Balancing Service	79	Rate MBS – Monthly Balancing Service	98	Rates have been updated to reflect a unified rate.
Rate LFD – Large Firm Delivery Services	80-82	Rate LFD – Large Firm Delivery Service	99-101	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate XD – Extended Large Firm Delivery Service	83-85	Rate XD – Extended Large Volume Delivery Service	102-104	Rates have been updated to reflect a unified rate. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate R/S – Retail and Standby Rider	86-88	Rate R/S – Retail and Standby Rider	105-107	Rider A – State Tax Adjustment Surcharge will no longer apply to Rate R/S customers to conform with UGI South and UGI Central. Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Rate IS – Interruptible Service	89-91	Rate IS – Interruptible Service	108-110	Rider C – Extended TCJA Temporary Surcharge has been added to the Surcharge and Rider section.
Gas Choice Supplier Tariff		Gas Choice Supplier Tariff		
1. The Choice Supplier Tariff	92	1.The Choice Supplier Tariff	111	UGI-GD Tariff No. 7S updated Company website.
2. Choice Supplier Qualification	93	2. Choice Supplier Qualification	112	UGI-GD Tariff No. 7S Section 2.6 added to reference POR program expanded to all customers.
3. Customer List	94	3. Customer List	113	UGI-GD Tariff No. 7S deleted reference to Rate DS customers in Section 3.1.

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<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
4. Choice Supplier Obligations	95	4. Choice Supplier Obligations	114-115	UGI-GD Tariff No. 7S Section 4.12 and Section 4.12 added to reference POR program expanded to all customers.
5. Operational Requirements	96	5.Operational Requirements	116	UGI-GD Tariff No. 7S Section 5.1 lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate. In addition, the following sections have been revised: Section 5.2 and Section 5.3 – failure to comply with a DFD or OFO penalty charges have been repositioned and now reference Section 22.4 of UGI-GD Tariff No. 7. Section 5.4 and Section 5.5 added to reference POR program expanded to all customers.
6. Billing and Payment	97	6.Billing and Payment	117	UGI-GD Tariff No. 7S Section 6.4 changed to include language for POR expansion to all customers. In addition, Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.
7. Nomination Procedure	98-101	7.Nomination Procedure	118-121	UGI-GD Tariff No. 7S changed to reflect the following:

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 7.2, Contact Persons has been updated.</p> <p>Section 7.3 – the monthly release of interstate pipeline capacity changed from 51% to 45%. The MDQ of the PDDR changed from 29% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. The separate bundled sale on peak days amount of PDDR has been changed from 20% to 33%.</p> <p>Section 7.3 a. – the lowest absolute low index price changed from Transco, Leidy Line receipts to Texas Eastern, M-2 receipts.</p> <p>Section 7.3 b. i. – the First of the Month Price changed from “Transcontinental Gas Pipe Line Corp., Zone-4” to “Columbia Gas Transmission Corp., Appalachia”.</p>
8. Financial Security	102-104	8.Financial Security	122-124	UGI-GD Tariff No. 7S Section 8.2 changed to reflect requirement from UGI-GD Tariff No. 6S. In addition, Section 8.6 - POR Requirements added and subsequent section renumbered.
9. Enrollment of Customers into Rate Schedules RT and NT	105	9.Enrollment of Customers into Rate Schedules RT and NT	125	No change.

<u>Current UGI-GD North Tariff Nos. 9 and 9-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD North Tariff Nos. 9 and 9-S to Proposed UGI-GD Tariff Nos. 7 and 7S
10. Rate AG – Aggregation Service	106-108	Rate AG – Aggregation Service	126-128	UGI-GD Tariff No. 7S changes the applicable index pricing for penalty for failure to deliver DDR and includes applicable transportation charges from Texas Eastern, M-2 to Texas Eastern, M-3. In addition, Failure to Comply with an OFO or DFD has been repositioned and now references Section 22.4 of UGI-GD Tariff No. 7.
11. Aggregation Agreement (Pro Forma)	109-118	Aggregation Agreement (Pro Forma)	129-138	UGI-GD Tariff No. 7S Article V, Billing Service Section 5.1 - Standard Billing Service has language added to reference POR. Section 5.4, Choice Supplier Budget Billing – language added that Company will provide budget billing to a Choice account if the customer is enrolled in POR. In addition, Article XI, Notices and Correspondence has been updated to reflect current contact information.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Title Page	1	Title Page	1	Updated to reflect new tariff name, number, issue date and effective date.
List of Changes Made by this Supplement	2	List of Changes Made by this Supplement	2	Updated for all Tariff revisions detailed below.
Table of Contents	3-4	Table of Contents	3-4	Content updated to reflect changes in proposed tariff.
Description of Territory	5-12	Description of Territory	5-19	Consolidated the description of territories served to include UGI South, UGI North, and UGI Central.
Definitions – General	13-17	Definitions - General	20-24	The definition of Company revised from UGI Central Penn Gas, Inc. to UGI Utilities, Inc. – Gas Division. Definition of Extension Application has been added to conform with UGI North and UGI South. Operational Flow Order definition has been revised to conform with UGI South and UGI North.
1. The Gas Service Tariff	18	1. The Gas Service Tariff	25	Section 1.3 – Filing and Posting – the Company’s web address has been updated.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
2. Contract for Gas Service	19-20	2. Contract for Gas Service	26-28	<p>Section 2.3 Facilities and System Access has been added which replaces the current Section 2.3 Reconnect Charge and to conform with UGI South and UGI North.</p> <p>Section 2.4 Selection of Rate Schedules has been added to conform with UGI South and UGI North.</p> <p>Remaining Sections have been renumbered as modified as needed to conform with the UGI South and UGI North.</p>
3. Guarantee of Payment	21-22(b)	3. Guarantee of Payment	29-32	<p>Section 3.2 – Additional Security from Large Volume Customers has been added to conform with UGI South and UGI North. All remaining sections have been renumbered.</p> <p>Current tariff Section 3.2 Deposits has been renumbered as Section 3.3 in the proposed tariff to conform with UGI South and UGI North</p> <p>Current tariff Section 3.3 Amount of Deposit for Residential Accounts has been renumbered as Section 3.4 to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				The Company's Purchase of Receivables Program (POR) has been expanded to UGI Central.
4. Service - Supply Facilities	23	4. Service – Supply Facilities	33-34	<p>Section 4.1 Facilities Location has been renumbered as Section 4.2 and modified to include language addressing Company facilities on the premises to conform with UGI South and UGI North.</p> <p>Section 4.2 Fuel Line Designation has been renumbered as Section 4.4 to conform with UGI South and UGI North.</p> <p>Section 4.3 Facilities Ownership has been renumbered as Section 4.1 and modified to conform with UGI South and UGI North.</p> <p>Section 4.4 Facilities Relocation has been renumbered as Section 4.5 and modified to include clause (b) addressing ancillary fuel line work to conform with UGI South and UGI North.</p> <p>Section 4.5 Non-Standard Service has been renumbered as Section 4.7 to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 4.6 Reverse Flow has been deleted to conform with UGI South and UGI North.</p> <p>Section 4.7 Excess Flow valves has been renumbered as Section 4.9 to conform with UGI South and UGI North.</p> <p>Customer Convenience Valve has been added as Section 4.3 to conform with UGI South and UGI North.</p> <p>Right of Removal has been added as Section 4.6 to conform with UGI South and UGI North.</p> <p>Protection of Company Facilities has been added as Section 4.8 to conform with UGI South and UGI North.</p>
5. Extension Regulation	24-27(b)	5. Extension Regulation	35-38	Section 5.1 Obligation to Extend renamed to include Expand. Also added provision addressing the Customer's request for a cost-benefit analysis related to clause (b) to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 5.3 renamed to include Small Commercial Gas Service to conform with UGI South and UGI North.</p> <p>Section 5.4 Commercial and Industrial Gas Service has been revised and clause (b) has been deleted to conform with UGI South and UGI North.</p> <p>Section 5.5 has been renamed Contributions and Refunds to conform with UGI South and UGI North.</p> <p>Section 5.6 has been renamed Taxes on Contributions for Construction & Customer Advances to conform with UGI South and UGI North.</p> <p>Section 5.7 Special Utility Service has been deleted to conform with UGI South and UGI North.</p> <p>Section 5.9.1 – Availability and Purpose – Revised the term of the program from 5 years to 10 years and renumbered as Section 5.8.1 to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 5.9.5 Funding – The annual average funding amount was revised not to exceed \$15 million for the duration of the ten-year pilot term and renumbered as Section 5.8.5 to conform with UGI South and UGI North.</p> <p>Section 5.9 Pilot Growth Extension Tariff (“GET GAS”) Rider has been renumbered as Section 5.8. Section 5.8.3 (renumbered) – Monthly charge for Rate Schedules R, RT, N and NT have been revised to conform with UGI South and UGI North.</p>
6. Customer’s Responsibility for Company’s Property	28-29	6. Customer’s Responsibility for Company’s Property	39-40	Section 6.9 Company’s Right to Inspect has been added to conform with UGI South and UGI North.
7. Meter Reading	30	7. Meter Reading	41	<p>Section 7.1 Definition of a Cubic Foot - reference to British Thermal Unit has been removed to conform with UGI South and UGI North.</p> <p>Section 7.3 Pressure Correction – additional language added addressing the cost of a supplemental pressure device to conform with UGI South and UGI North.</p> <p>Section 7.4 Heating Value Correction has been deleted and the remaining Sections have been</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				renumbered to conform with UGI South and UGI North.
8. Billing and Payment	31-33	8. Billing and Payment	42-45	<p>8.10 Application of Payments for Rates RT, NT and CT has been revised to delete Rate CT which has been cancelled to conform with UGI South and UGI North.</p> <p>Section 8.11 Joint Billing has been added to conform with UGI South and UGI North.</p> <p>Section 8.12 Payment Refunds has been added to conform with UGI South and UGI North.</p> <p>Section 8.13 has been added which references the Company's Purchase of Receivable (POR) program and the expansion of the POR Program to UGI Central to conform with UGI South and UGI North.</p>
9. Termination and Discontinuance of Service	34-35	9. Termination or Discontinuance of Service	46-47	Section 9.1 (a) Termination of Service – the reconnect charge has been increased from \$55 to \$73 to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>The reconnect fee, outside of normal business hours, for \$250 has been deleted to conform with UGI South and UGI North.</p> <p>Section 9.4 Reconnect Charge has been added to conform with UGI South and UGI North.</p>
10. Rider A – State Tax Adjustment Surcharge	35	10. Rider A - State Tax Surcharge	48	<p>The STAS rate has been reset to 0.00% in the proposed tariff.</p> <p>Reference to Rate CIAC has been deleted because this rate has been cancelled.</p> <p>Applicable rate schedules are updated to conform with UGI South and UGI North.</p>
11. Rider B – Section 1307 (f) Purchased Gas Costs	36-39	11. Rider B – Section 1307 (f) Purchase Gas Cost	49-52	<p>Reference to Rate CIAC has been deleted because this rate has been cancelled.</p> <p>Language added to the Computation of Purchased Gas Costs per Mcf that addresses the discontinuation of service by natural gas supplier to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Definitions: added language that references PGC capacity by transportation customers to conform with UGI South and UGI North.</p> <p>Revenue Sharing Allocation - Language related to non-Choice firm transportation customers has been removed consistent with the use of capacity releases for non-Choice firm transportation customers who may now generate their own off-system sales offsets.</p> <p>The Purchase Gas Cost rate has been updated to reflect a unified rate, inclusive of both c-factor and e-factor components.</p>
12. Rider C – TCJA Temporary Surcharge	40	12. Rider C – Extended TCJA Temporary Surcharge	53-54	The negative surcharge will be extended effective March 29, 2019 and recalculated for the purpose of reflecting a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018 along with final e-factor applicability as well as interest applicability.
13. Rider D – Merchant Function Charge	41	13. Rider D - Merchant Function Charge	55	The Rate has been recalculated to reflect a unified rate.
14. Rider E – Universal Service Program	42-43	16. Rider F – Universal Service Program	58-59	This section and Rider have been renumbered and relabeled in the proposed tariff as Section 16, Rider F to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>The USP rate has been updated to reflect the unified Universal Service Program and unified rate.</p> <p>Annual Reconciliation – shortfall has been changed to CAP. Updated number of participants and adjustment factor are based on combined data.</p> <p>In addition, language has been added and removed in order to conform with UGI South and UGI North.</p>
14.A. Rider F – Gas Procurement Charge	43 (a)	14. Rider E. Gas Procurement Charge	56	<p>This section and Rider have been renumbered and relabeled in the proposed tariff as Section 14, Rider E to conform with UGI South and UGI North.</p> <p>Reference to Rate CIAC has been deleted as this rate has been cancelled.</p> <p>Reference to outdated Docket Nos. have been deleted.</p> <p>The rate has been revised to reflect a unified rate.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
14. B. Price to Compare	43 (a)	15. Price to Compare	57	This section has been renumbered in the proposed tariff as Section 15 to conform with UGI South and UGI North. The rates have been revised to reflect a unified rate.
14.C. Rider G – Distribution System Improvement Charge	43(b)–43(e)	19. Rider I – Distribution System Improvement Charge	63-66	This section is renumbered and relabeled in the Proposed Tariff as Section 19, Rider I to conform with UGI South and UGI North. The DSIC rate has been reset to 0.00%. The reference to outdated Docket Nos. has been deleted. Section 14.C.3 Effective Date has been deleted. Section 14.C.3 has deleted language referencing the initial DSIC implementation. Section 14.C.8 (1) The DSIC is capped at 5% to conform with UGI South and UGI North.
14.D. Rider J – Gas Delivery Enhancement Rider	43(f)-43(g)	20. Rider J – Gas Delivery Enhancement Rider	67	Rates have been updated to reflect a unified rate.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
15. Gas Emergency Planning	44-48	21. Gas Emergency Planning	68-72	<p>This section has been renumbered in the proposed tariff as Section 21 to conform with UGI South and UGI North.</p> <p>Reference to Rates CIAC and CT have deleted as these rate classes have been canceled.</p> <p>Section 15.3 (d) Mandatory Reductions has been modified to conform with UGI South and UGI North.</p> <p>Section 15.9, clauses (a), (b) and (c) have been redesignated as Section 15.10 Penalties for Unauthorized Takes and renumbered in the proposed tariff as Section 21.10 to conform with UGI South and UGI North.</p>
16. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	49-56	22. General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS	73-81	<p>This section has been renumbered in the proposed tariff as Section 22 to conform with UGI South and UGI North.</p> <p>Section 16.1(i) -Reduced lost and unaccounted for gas percentage from 2.4% to 1% to reflect a unified rate. Renumbered in the proposed tariff as Section 22.1(j) to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Section 16.3(b) – Daily Balancing – Daily balancing language modified from 2.5% to 4.5% to reflect a unified rate. Renumbered in the proposed tariff as Section 22.2(b) to conform with UGI South and UGI North.</p> <p>Section 16.3 (c) – Imbalance resolution –Eliminated Average Monthly Index. Created Excess Monthly Index and Shortfall Monthly Index with regionally based prices. Renumbered in the proposed tariff as Section 22.2(c).</p> <p>Section 16.5 - Maximum Daily Excess Balancing Charge – Created regionally based index pricing for Maximum Daily Excess Balancing Charge. Renumbered in the proposed tariff as Section 22.4.</p>
17. General Terms for Interconnection Coordination Services for Connecting Entities	56A	23. General Terms for Interconnection Coordination Services for Connecting Entities	82	This section has been renumbered in the proposed tariff as Section 23 to conform with UGI South and UGI North.
Rate R – General Service – Residential	57-58	Rate R – General Service - Residential	85	Standby Availability provision has been deleted to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rates have been updated to reflect a unified rate.</p> <p>Rider B – Section 1307 (f) Purchased Gas Cost has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North</p> <p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation program has been expanded to UGI Central. Rider G</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>
Rate RT - General Service – Residential Transportation	59-60	Rate RT – General Service – Residential Transportation	86-87	<p>Standby Availability provision has been deleted to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North.</p> <p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation program has been expanded to UGI Central and Rider G has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p>
Rate GL – General Service – Gas Light Service	61	Rate GL – Gas Light Service	88	<p>Rates have been updated to reflect a unified rate.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Payment section has been added to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Rate N – General Service – Non Residential	62-63	Rate N – General Service – Non-Residential	89	<p>Availability Section has been modified to delete reference to Rate Schedules IS, DS, LFD and XD and replaced with language addressing any transportation service and to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Standby Availability provision has been deleted to conform with UGI South and UGI North.</p> <p>Rider B – Section 1307 (f) Purchased Gas Cost has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider E – Universal Service Program has been relabeled as Rider F to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rider F – Gas Procurement Charge has been relabeled as Rider E to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rules and Regulations section has been deleted to conform with UGI South and UGI North.</p>
Rate NT - General Service – Non Residential Transportation	64-65	Rate NT – General Service – Non-Residential Transportation	90-91	Availability Section has been modified to remove reference to delete reference to Rate Schedules IS, DS, LFD and XD and replaced with language addressing any transportation service and to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rates have been updated to reflect a unified rate.</p> <p>Standby Availability provision has been deleted to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p>
Rate GBM – Gas Beyond the Mains	66-67	Deleted	N/A	This rate schedule has been cancelled.
Rate CIAC – Air Conditioning Service	68-69	Deleted	N/A	This rate schedule has been cancelled.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
Rate CT – Air Conditioning Service - Transportation	70-71	Deleted	N/A	This rate schedule has been cancelled.
Rate DS – Delivery Service	72-73	Rate DS – Delivery Service	94-95	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Capacity Charge language has been added to conform with UGI South and UGI North.</p> <p>General Terms and Rules and Regulations sections have been deleted to conform with UGI South and UGI North.</p> <p>Retainage Rate section has been added to conform with UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Proposed Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p>
Rate NNS – No Notice Service	74-75	Rate NNS – No-Notice Service	96-97	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Terms and Conditions – Increased daily balancing from 2.5% to 4.5% to reflect a unified rate.</p> <p>Rates have been updated to reflect a unified rate.</p> <p>Excess Requirement Option has been added to conform with UGI South.</p>
Rate MBS – Monthly Balancing Service	76	Rate MBS – Monthly Balancing Service	98	Rates have been updated to reflect a unified rate.
Rate LFD – Large Firm Delivery Services	77-80	Rate LFD – Large Firm Delivery Service	99-101	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Rider G – Energy Efficiency and Conservation has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Rider H – Technology and Economic Development has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>General Terms and Rules and Regulations sections have been deleted to conform with UGI South and UGI North.</p>
Rate XD – Extended Large Firm Delivery Service	81-83	Rate XD – Extended Large Volume Delivery Service	102-104	<p>Availability has been revised to conform with UGI South and UGI North.</p> <p>Rates have been updated to reflect a unified rate.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rider A – State Tax Adjustment Surcharge has been deleted to conform to UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Charge for Unauthorized Overrun has been increased to \$27.50 to conform to UGI North.</p> <p>General Terms, Rules and Regulations, and Waiver of Penalty sections have been deleted to conform with UGI South and UGI North.</p> <p>Retainage Rate section has been added to conform with UGI South and UGI North.</p>
Rate R/S – Retail and Standby Rider	84-86	Rate R/S – Retail and Standby Rider	105-107	Rules and Regulations section has been deleted to conform with UGI South and UGI North.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p>
Rate IS – Interruptible Service	87-89	Rate IS – Interruptible Service	108-110	<p>Interruptible Notification section has been updated to conform with UGI South and UGI North.</p> <p>Rider A – State Tax Adjustment Surcharge has been deleted to conform to UGI South and UGI North.</p> <p>Rider C – Extended TCJA Temporary Surcharge has been added to Surcharges and Riders section to conform with UGI South and UGI North.</p> <p>Current Rider G – Distribution System Improvement Charge has been renumbered as Rider I to conform with UGI South and UGI North.</p> <p>Charge for Unauthorized Overrun has been increased to \$50.00 to conform with UGI South and UGI North.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				General Terms, Rules and Regulations, and Waiver of Penalty sections have been deleted to conform with UGI South and UGI North. Retainage Rate section has been added to conform with UGI South and UGI North.
Gas Choice Supplier Tariff		Gas Choice Supplier Tariff		
1. The Choice Supplier Tariff	90	1. The Choice Supplier Tariff	111	UGI-GD Tariff No. 7S updated Company website and references to Rate CT are deleted to reflect the cancellation of this rate schedule.
2. Choice Supplier Qualification	91-92	2. Choice Supplier Qualification	112	Section 2.1 of UGI-GD Tariff No. 7S has been modified to include Sections 2.1, 2.3, and 2.4 of UGI-GD Central Tariff No. 4S. The subsequent sections have been renumbered. Section 2.6 in UGI-GD Central Tariff No. 4S has been deleted and new Section 2.6 added to UGI-GD Tariff No. 7S to reference POR program expanded to all customers.
3. Customer List	93	3. Customer List	113	UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT and reference to Rate DS has been deleted in Section 3.1.

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Confidentiality Agreement replaces Electronic Trading Partner Agreement in Section 3.2.
4. Choice Supplier Obligations	94	4. Choice Supplier Obligations	114-115	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>Section 4.1 updated for Choice Suppliers to comply with provisions of Section 7 in Choice Supplier Tariff.</p> <p>Section 4.12 and Section 4.13 added for POR expansion to all customers.</p>
5. Operational Requirements	95	5.Operational Requirements	116	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>Section 5.1 – lost and unaccounted for gas percentage equal to 1.0% to reflect a unified rate.</p> <p>Section 5.2 & Section 5.3 updated to include language that the Company agrees to deliver DFD and OFO notices via e-mail to customer supplied e-mail address. Failure to comply with a DFD or OFO penalty charges have been repositioned and now reference Section 22.4 of UGI-GD Tariff No. 7.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				Section 5.4 and 5.5 added for POR expansion to all customers.
6. Billing and Payment	96-97	6.Billing and Payment	117	UGI-GD Tariff No. 7S Section 6.4 changed to include language for POR expansion to all customers. Section 6.5 has been deleted. Application of Payments is in Section 8.10 and Section 8.11 of UGI-GD Tariff No. 7.
7. Nomination Procedure	98-99(b)	7.Nomination Procedure	118-121	UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT. Section 7.2, Contact Persons has been updated. Section 7.3 heading changed from Pipeline Capacity to Mandatory Assignment. The monthly release of interstate pipeline capacity changed from 66% to 45%. The MDQ of the PDDR changed from 17% to 22%. The time to nominate daily quantity for bundled sales has changed from 8:45 AM to 2:00 PM. Separate bundled sale on peak days amount of PDDR has been changed from 17% to 33%. Section 7.3 b. i. – the First of the Month Price changed from “Texas Eastern Transmission Corp.,

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>M-2 receipts” to “Columbia Gas Transmission Corp., Appalachia”.</p> <p>Language regarding capacity recall being made on Critical Days where Choice Supplier fails to have capacity scheduled for delivery removed in Section 7.4.c .</p> <p>Section 7.4 d. added if the capacity is needed to protect the Company’s gas distribution system integrity or meet the Company’s public utility obligations to conform with UGI North provisions.</p>
8. Financial Security	100-101	8.Financial Security	122-124	<p>UGI-GD Tariff No. 7S Section 8.2 changed to reflect requirement from UGI-GD Tariff No. 6S. In addition, the following sections have been revised:</p> <p>Section 8.4 - Call Options and Section 8.6 - POR Requirements added. The subsequent sections have been renumbered.</p>
9. Enrollment of Customers into Rate Schedules RT, and CT	102	9.Enrollment of Customers into Rate Schedules RT and NT	125	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>The number of days in Section 9.3 – Determination of Gas Flow Date has been changed from 10 days to 5 days.</p> <p>Section 9.4 – Multiple Enrollments has been eliminated.</p>
Rate AG – Aggregation Service	103-106	Rate AG – Aggregation Service	126-128	<p>UGI-GD Tariff No. 7S adds language for Pipeline Capacity and Bundled Sales to the Rate Table in addition to the following changes:</p> <p>Switching fee has been eliminated.</p> <p>Reference to Rate AG Enrollment Fee has been deleted and is included in Section 2.1.</p> <p>Reference to Credit Check Fee has been deleted and is included in Section 2.5.</p> <p>Added language to Penalties Section detailing penalty calculation for Failure to Deliver DDR.</p> <p>Failure to Comply with an OFO or DFD has been changed to \$50/Dth or the charge calculated in compliance with Section 22.4 Maximum Daily</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Excess Balancing Charge of UGI-GD Tariff No. 7, whichever is greater.</p> <p>Right of First Refusal section has been deleted.</p> <p>Daily Flow Directives and Operational Flow Orders have been moved to definitions section.</p>
Aggregation Agreement (Pro Forma)	107-118	Aggregation Agreement (Pro Forma)	129-138	<p>UGI-GD Tariff No. 7S changed to reflect the cancellation of Rate CT.</p> <p>Article I, Definitions. Several Sections have been repositioned within Article I. Section 5, Daily Flow Directive has been eliminated; Section 7, Operational Flow Order has been eliminated.</p> <p>Article III, Choice Supplier's Obligations. Several Sections have been repositioned within Article III. The following sections have been eliminated: Section 2 - Upstream Pipeline Capacity, Section 3 - Natural Gas Suppliers, Section 4 - Customer Enrollment, Section 5 - DDR, Section 6 - Charges.</p>

<u>Current UGI-GD Central Tariff Nos. 4 and 4-S</u>		<u>Proposed UGI-GD Tariff Nos. 7 and 7S</u>		<u>Reason for Change</u>
Tariff Section/Rule Description	Page	Tariff Section/Rule Description	Page	From Current UGI-GD Central Tariff Nos. 4 and 4-S to Proposed UGI-GD Tariff Nos. 7 and 7S
				<p>Article IV, Company’s Obligation Section 3, Enrollment Notification has changed customer response time from 10 days to 5 days.</p> <p>Article V, Billing Service Section 5.1 - Standard Billing Service has language added to reference POR and number of days supplier has to provide billing rate information changed from 10 days to 15 days.</p> <p>Section 5.4, Choice Supplier Budget Billing – language added that Company will provide budget billing to a Choice account if the customer is enrolled in POR.</p> <p>Article XI, Notices and Correspondence has been updated to reflect current contact information.</p>

PROPOSED TARIFFS

UGI Gas Proposed Tariff Nos. 7 and 7S

Original UGI Utilities, Inc.- Gas Division Tariff - Pa. P.U.C. Nos. 7 and 7S Superseding
UGI Utilities, Inc.- Gas Division, South Rate District Gas Tariff Pa. P.U.C. Nos. 6 and 6-S,
UGI Utilities, Inc.- Gas Division, North Rate District Gas Tariff Pa. P.U.C. Nos.9 and 9-S,
and UGI Utilities, Inc.- Gas Division, Central Rate District Gas Tariff Nos. 4 and 4-S.

UGI UTILITIES, INC. - GAS DIVISION

GAS TARIFF

INCLUDING THE GAS SERVICE TARIFF NO. 7

AND

THE CHOICE SUPPLIER TARIFF NO. 7S

Rates and Rules

Governing the

Furnishing of

Gas Service and Choice Aggregation Service

in the

Territory Described Herein

Issued: January 28, 2019

Effective for service rendered on
and after March 29, 2019

Issued By:

Paul J. Szykman
Chief Regulatory Officer
1 UGI Drive
Denver, PA 17517

<http://www.ugi.com/tariffs>

NOTICE

LIST OF CHANGES MADE BY THIS SUPPLEMENT
(Page Numbers Refer to Official Tariff)

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Description of Territories

ADAMS COUNTY

Townships

Cumberland Freedom

ARMSTRONG COUNTY

City

Parker

BEDFORD COUNTY

Boroughs

Bedford Everett

Townships

Bedford	Colerain	Monroe
Napier	Snake Spring Valley	West Providence

BERKS COUNTY

City

Reading

Boroughs

Adamstown (part)	Bally	Birdsboro
Boyertown	Centerpoint	Fleetwood
Hamburg	Kenhorst	Kutztown
Laureldale	Leesport	Lyons
Mohnton	Mt. Penn	New Morgan
Robesonia	St. Lawrence	Shillington
Shoemakersville	Sinking Spring	Topton
Wernersville	West Reading	Womelsdorf
Wyomissing	Wyomissing Hills	

Townships

Alsace	Amity	Bern
Caernarvon	Centre	Colebrookdale
Cumru	Douglass	Exeter
Heidelberg	Hereford	Jefferson

Description of Territories - Continued

Longswamp	Lower Alsace	Lower Heidelberg
Maiden Creek	Marion	Maxatawny
Muhlenberg	Ontelaunee	Perry
Richmond	Robeson	Rockland
Ruscombmanor	South Heidelberg	Spring
Tilden	Union	Washington
Windsor		

BLAIR COUNTY

Boroughs

Martinsburg	Roaring Spring
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Townships

Huston	North Woodbury	Taylor
Woodbury		

BRADFORD COUNTY

Boroughs

Alba	Burlington	Canton
Sylvania	Troy	

Townships

Armenia	Burlington	Canton
Columbia	Granville	LeRoy
Ridgebury	Smithfield	South Creek
Springfield	Troy	Ulster
Wells	West Burlington	

BUCKS COUNTY

Boroughs

Perkasie	Quakertown	Richlandtown
Riegelsville	Sellersville	Silverdale
Trumbauersville		

Townships

Durham	East Rockhill	Haycock
Hilltown	Milford	Nockamixon
Richland	Springfield	West Rockhill

Description of Territories - Continued

CARBON COUNTY

Boroughs

Bowmanstown	East Side	Jim Thorpe
Lehighton	Palmerton	Weissport

Townships

Banks	East Penn	Kidder
Lower Towamensing	Mahoning (part)	Packer

CENTRE COUNTY

Boroughs

Philipsburg	South Philipsburg
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Township

Rush

CHESTER COUNTY

Borough

Oxford

Townships

East Coventry (part)	East Nottingham	Elk
Honey Brook (part)	Lower Oxford	North Coventry (part)
Upper Oxford	West Nottingham	

CLARION COUNTY

Boroughs

Callensburg	Silgo
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Townships

Ashland	Beaver	Clarion
Elk	Farmington	Highland
Knox	Licking	Limestone
Millcreek	Monroe	Paint
Perry	Piney	Richland
Salem	Toby	Washington

Description of Territories - Continued

CLEARFIELD COUNTY

Boroughs

Chester Hill	Clearfield and Environs	Curwensville
Wallaceton		

Townships

Boggs	Bradford	Decatur
Knox	Lawrence	Morris
Pike		

CLINTON COUNTY

City

Lock Haven

Boroughs

Avis	Beech Creek	Flemington
Mill Hall	Renovo	South Renovo

Townships

Allison	Bald Eagle	Beech Creek (portion)
Castanea	Chapman	Crawford
Dunnstable	Gallagher	Grugan
Noyes	Pine Creek	Wayne
Woodward		

COLUMBIA COUNTY

Boroughs

Berwick	Briar Creek	Centralia
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Town

Bloomsburg

Townships

Briar Creek	Conyngham	Hemlock
Mifflin	Montour	Scott
South Centre		

Description of Territories - Continued

CUMBERLAND COUNTY

Boroughs

Camp Hill	Carlisle	Lemoyne
Mechanicsburg	Mt. Holly Springs	New Cumberland
Shippensburg	Shiremanstown	West Fairview
Wormleysburg		

Townships

Dickinson	East Pennsboro	Hampden
Lower Allen	Middlesex	Monroe
North Middleton	Shippensburg	Silver Spring
Southampton	South Middleton	Upper Allen

DAUPHIN COUNTY

City

Harrisburg

Boroughs

Dauphin	Highspire	Hummelstown
Middletown	Paxtang	Penbrook
Royalton	Steelton	

Townships

Conewago	Derry (including Hershey)	East Hanover
Jackson	Jefferson	Lykens
Londonderry	Lower Paxton	Lower Swatara
Middle Paxton	Rush	South Hanover
Susquehanna	Swatara	West Hanover
Williams		

FOREST COUNTY

Borough

Tionesta

Townships

Barnett	Green	Harmony
Jenks	Tionesta	

Description of Territories - Continued

FRANKLIN COUNTY

Boroughs

Orrstown	Shippensburg	Waynesboro
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Townships

Greene (part)	Guilford (part)	Hamilton (part)
Letterkenny (Army Depot)	Southampton	Washington

FULTON COUNTY

Borough

McConnellsburg

Townships

Ayr (part)	Todd
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HUNTINGDON COUNTY

Boroughs

Huntingdon	Mapleton	Mill Creek
Mount Union		

Townships

Brady	Henderson	Juniata
Oneida	Shirley	Smithfield
Union	Walker	

JEFFERSON COUNTY

Borough

Summerville

Township

Barnett

JUNIATA COUNTY

Townships

Tuscarora	Lack	Milford
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Description of Territories - Continued

Little Britain	Manheim	Manor
Mount Joy	Paradise	Penn
Pequea	Rapho	Strasburg
Upper Leacock	Warwick	West Cocalico
West Donegal	West Earl	West Hempfield
West Lampeter		

LEBANON COUNTY

City

Lebanon

Boroughs

Cleona	Cornwall	Myerstown
Palmyra	Richland	

Townships

Annville	Bethel	Cold Spring
East Hanover	Jackson	Millcreek
North Annville	North Cornwall	North Lebanon
North Londonderry	South Annville	South Lebanon
South Londonderry	Swatara	Union
West Cornwall	West Lebanon	

LEHIGH COUNTY

Cities

Allentown	Bethlehem (part)
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Boroughs

Alburtis	Catasauqua	Coopersburg
Coplay	Emmaus	Fountain Hill
Macungie	Slatington	

Townships

Hanover	Lower Macungie	North Whitehall
Salisbury	South Whitehall	Upper Macungie
Upper Milford	Upper Saucon	Washington
Weisenburg	Whitehall	

Description of Territories - Continued

LUZERNE COUNTY

Cities

Hazleton	Nanticoke	Pittston
Wilkes-Barre		

Boroughs

Ashley	Avoca	Conyngham
Courtdale	Dallas	Dupont
Duryea	Edwardsville	Exeter
Freeland	Forty Fort	Harvey's Lake
Hughestown	Kingston	Laflin (part)
Larksville	Laurel Run	Luzerne
Nescopeck	New Columbus	Nuangola
Pittston	Plymouth	Pringle
Shickshinny	Swoyersville	Sugar Notch
Warrior Run	West Hazleton	West Pittston
West Wyoming	White Haven	Wyoming
Yatesville		

Townships

Bear Creek	Buck	Butler
Conyngham	Dallas	Dennison
Dorrance	Exeter	Fairmount
Fairview	Foster	Franklin
Hanover	Hazel	Hollenback (part)
Hunlock	Huntington	Jackson
Jenkins (part)	Kingston	Lake
Lehman	Nescopeck	Newport
Pittston	Plains	Plymouth
Rice	Ross	Salem
Slocum	Sugarloaf	Union
Wilkes-Barre	Wright	

LYCOMING COUNTY

City

Williamsport

Boroughs

Duboistown	Hughesville	Jersey Shore
Montgomery	Montoursville	Muncy

Description of Territories - Continued

Picture Rocks	Salladsburg	South Williamsport
	<u>Townships</u>	
Anthony	Armstrong	Bastress
Brady	Clinton	Eldred
Fairfield	Franklin	Hepburn
Jackson	Jordan	Limestone
Loyalsock	Lycoming	McNett
Mifflin (part)	Millcreek	Moreland
Muncy	Muncy Creek	Nippenose
Old Lycoming	Penn (part)	Piatt
Porter	Shrewsbury (part)	Susquehanna
Upper Fairchild	Washington	Wolf (part)
Woodward		

MCKEAN COUNTY

	<u>Boroughs</u>	
Eldred	Mount Jewett	Port Allegany
	<u>Townships</u>	
Annin	Ceres	Eldred
Hamlin	Keating	Liberty
Norwich	Otto	Sergeant

MIFFLIN COUNTY

	<u>Boroughs</u>	
Burnham	Juniata Terrace	Lewistown
McVeytown		
	<u>Townships</u>	
Armagh	Bratton	Brown
Decatur	Derry	Granville
Menno	Union	

MONROE COUNTY

	<u>Boroughs</u>	
Delaware Water Gap	East Stroudsburg	Mount Pocono
Stroudsburg		

Description of Territories - Continued

Townships

Chestnuthill	Coolbaugh	Eldred
Hamilton	Middle Smithfield	Paradise
Pocono	Ross	Smithfield
Stroud	Tobyhanna	Tunkhannok

MONTGOMERY COUNTY

Townships

Douglass	New Hanover	Limerick (restricted)
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MONTOUR COUNTY

Borough

Danville

Townships

Cooper	Liberty (part)	Limestone
Mahoning	Valley	

NORTHAMPTON COUNTY

Cities

Bethlehem (part)	Easton
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Boroughs

Bangor	Bath	East Bangor
Freemansburg	Glendon	Hellertown
Nazareth	Northampton	North Catasauqua
Pen Argyl and Vicinity	Portland	Roseto
Stockertown	Tatamy	Walnutport
West Easton	Wilson	Wind Gap

Townships

Allen	Bethlehem	Bushkill
East Allen	Forks	Hanover
Lehigh	Lower Mount Bethel	Lower Nazareth
Lower Saucon	Palmer	Plainfield
Upper Mount Bethel	Upper Nazareth	Washington
Williams		

Description of Territories - Continued

Pleasant Valley	Portage	Roulette
Sharon	Summit	Sweden
Sylvania	Ulysses	West Branch
Wharton		

SCHUYLKILL COUNTY

City

Pottsville

Boroughs

Ashland	Auburn	Cressona
Deer Lake	Frackville	Gilberton
Girardville	Gordon	Landingville
McAdoo	Mechanicsville	Middleport
Minersville	Mount Carbon	New Philadelphia
Orwigsburg	Palo Alto	Port Carbon
Port Clinton	Ringtown	St. Clair
Schuylkill Haven		

Townships

Blythe	Branch	Butler
Cass	East Union	East Norwegian
Foster	Hubleys	Kline
Mahanoy (part)	New Castle	North Manheim
Norweigan	Ryan	South Manheim
Union	Upper Mahantongo	West Brunswick
West Mahanoy		

SNYDER COUNTY

Boroughs

Selinsgrove	Shamokin Dam
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Townships

Middlecreek	Monroe	Penn
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SUSQUEHANNA COUNTY

Boroughs

Forest City	Uniondale
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Description of Territories - Continued

Townships

Auburn Clifford

TIOGA COUNTY

Boroughs

Blossburg	Elkland	Knoxville
Lawrenceville	Liberty	Mansfield
Roseville	Tioga	Wellsboro
Westfield		

Townships

Bloss	Brookfield	Charleston
Chatham	Clymer	Covington
Deerfield	Delmar	Duncan
Elkland	Farmington	Gaines
Hamilton	Jackson	Lawrence
Liberty	Middlebury	Nelson
Osceola	Putnam	Richmond
Rutland	Shippen	Sullivan
Tioga	Union	Ward
Westfield		

UNION COUNTY

Borough

Lewisburg

Townships

Buffalo (part)	East Buffalo (part)	Gregg
Kelly (part)	Lewis	Union (part)
West Buffalo (part)	White Deer	

VENANGO COUNTY

City

Oil City

Boroughs

Rouseville Sugarcreek

Description of Territories - Continued

Townships

Clinton	Cornplanter	Cranberry
Pinegrove	President	Richland
Rockland		

WAYNE COUNTY

Boroughs

Bethany	Hawley	Honesdale
Waymart		

Townships

Berlin	Canaan	Cherry Ridge
Clinton	Dyberry	Oregon
Palmyra	Paupack	Texas

WYOMING COUNTY

Boroughs

Factoryville	Laceyville	Meshoppen
Nicholson	Tunkhannock	

Townships

Braintrim	Clinton	Eaton
Exeter	Falls	Forkston
Lemon	Mehoopany	Meshoppen
Monroe	Nicholson	North Branch
Northmoreland	Noxen	Overfield
Tunkhannock	Washington	Windham

YORK COUNTY

Townships

Fairview	Newberry	
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DEFINITIONS - GENERAL

Alternate Fuel:	Any fuel other than natural gas.
Applicant:	Any person, corporation or other entity that (i) desires from the Company natural gas or any other service provided for in this Tariff at a specific location, (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 yet lawfully receiving from the Company any service provided for in this Tariff at such location.
Authorized Payment Agent:	An agent expressly authorized by Company to accept payments from Customers on behalf of Company.
Automated Meter Reading ("AMR"):	Metering using technologies that automatically read and collect data from metering devices and transfer that data to a central database for billing and other purposes and does not include a Remote Meter Reading Device. All meter readings by an AMR shall be deemed actual readings.
Ccf:	100 cubic feet of gas. This is a measure of gas usage.
CFH:	Cubic feet per hour.
CCFD:	One Hundred Cubic feet per day.
Chapter 56:	The PUC regulations that govern metering, billing and collections for residential gas and electricity service.
City Gate:	A point of interconnection between the Company's facilities and third party source of supply.
Combined Billing:	The aggregation of the billing determinants of two or more meters of the same Customer at the same location for billing purposes. This applies to only contiguous properties with the same billing/meter read date.
Consolidated Billing:	The aggregation of two or more Customer bills to one bill from different service locations or the same service location for ease of Customer receiving one bill for multiple service locations instead of receiving multiple bills. Each meter will be billed under the applicable Tariff rate and will not be considered combined billing. Customer will be required to pay Company to perform such transactions.
Commodity:	The gas delivered to a Customer during the billing month.
Company:	UGI Utilities, Inc. - Gas Division

DEFINITIONS - GENERAL (Continued)

- Commercial Customer: A Customer who is not classified as an Industrial Customer or a Residential Customer.
- Creditworthiness: An assessment of an Applicant's or Customer's ability to meet bill payment obligations for utility service.
- Critical Day: Any day, determined by company in its sole discretion, when variations in supply or demand could jeopardize the safety or reliability of Company's Gas Service.
- Customer: Any person, corporation or other entity lawfully in receipt of gas service, aggregation and balancing services or interconnection coordination services from the Company under this Tariff.
- Customer Charge: A monthly charge.
- Daily Flow Directive ("DFD"): An order issued by the Company to address system management, including actions necessary to comply with statutory directives and obligations. DFDs will be communicated to affected Customers or NGSSs via e-mail if the Customer or NGSSs prefer to receive notice in this manner and provide a valid e-mail address, or if no such preference is expressed, either electronically, by telephone, by facsimile, through the use of the media or by an alternate mutually agreed upon method between the Company and the Customer or NGSS. Customers and NGSSs must provide the Company with a 24-hour contact for DFDs.
- Discontinuance of Service: The cessation of service with the consent of Customer.
- Distribution Charges: Charges to recover the costs the Company incurs to provide the services necessary to deliver natural gas to a Customer from the point of receipt into the Company's distribution system.
- Dth ("Dekatherm"): A measure of the heat content value of gas. Gas usage is determined by multiplying the MCF used by the heat content value of the gas.
- Extension Applicant: Any person, corporation or other entity, whether or not currently receiving from the Company any service provided for in this Tariff, who desires from the Company an extension or expansion of facilities under Section 5 of this Tariff and who complies with all Company requirements for obtaining an extension or expansion of facilities as provided for in this Tariff.
- Gas or Natural Gas: A flammable gas meeting PUC heating value and purity requirements that may include natural gas, synthetic natural gas, propane, landfill gas and any and all natural gas substitutes.
- Gas Service: The furnishing of gas by the Company at the point of delivery regardless of whether the Customer makes any use of the gas.

DEFINITIONS - GENERAL (Continued)

Gas Supply or Commodity Charge:	Charges by an NGS or Supplier of Last Resort to recover the cost of procuring natural gas and delivering it to the Company's facilities for redelivery to Customers.
Industrial Customer:	A Customer engaged in the process which creates or changes raw materials or unfinished materials into another form or product.
Interruptible Service:	Natural gas services that can be temporarily discontinued under terms and conditions specified by Tariff or contract.
MCF:	1,000 cubic feet of gas. This is a measure of gas usage.
Natural Gas Supplier ("NGS"):	Any person, corporation or other entity that has received a license from the PUC to supply natural gas supply services to Customers in the Company's service territory and that has met the additional criteria established by the Company to permit it to provide natural gas supply service to Customers.
Non-Critical Day:	Any day determined by Company not to be a Critical Day
Non-Residential Applicant:	An Applicant not classified as a Residential Applicant.
Non-Residential Customer:	A Customer not classified as a Residential Customer, including a Commercial Customer and an Industrial Customer.
Occupant:	A natural person who resides in the premises to which gas service is provided.
Operational Flow Order ("OFO"):	A directive issued by the Company that is reasonably necessary to alleviate conditions that threaten the operational integrity of the Company's system on a critical day, including actions necessary to comply with statutory directives and obligations. OFOs will be communicated as soon as reasonably practical to affected Customers or NGSS via e-mail if the Customer or NGSS prefer to receive notice in this manner and provide a valid e-mail address, or if no such preference is expressed, either electronically, by telephone, by facsimile, through the use of the media or by an alternate mutually agreed upon method between the Company and the Customer or NGSS. Customers and NGSS must provide the Company with a 24-hour contact for OFOs.
Point of Delivery:	The outlet of company facilities; usually the meter or regulator outlet.
Price to Compare:	The dollar amount charged by the Company, used by Customers to compare prices and potential savings with other Natural Gas Suppliers.
PUC:	The Pennsylvania Public Utility Commission.

DEFINITIONS - GENERAL (Continued)

Remote Meter Reading
Device:

A device which by electrical impulse or otherwise transmits readings from a meter, usually located within a residence, to a more accessible location outside a residence. The term does not include AMR and devices that permit direct interrogation of the meter.

Residential Applicant: An Applicant who is (1) a natural person at least 18 years of age not currently receiving service who applies for residential service, or (2) an adult Occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested. The term shall not include (1) a Residential Customer who seeks to transfer service within the Company's service territory, or (2) a Residential Customer who, within 30 days after Termination or Discontinuance of Service, seeks to have service reconnected at the same location or transferred to another location within the Company's service territory.

Residential Customer: A Customer who is either (1) a natural person at least 18 years of age in whose name a residential account is listed and who is primarily responsible for payment of bills rendered for the service, or (2) any adult Occupant whose name appears on the mortgage, deed or lease of the property for which residential service is requested. A Residential Customer shall be further defined to include a Customer receiving the Company's gas service to a single-family dwelling or building, through one meter to four or fewer dwelling units in a multi-family dwelling, or premises used as a single family dwelling and for one or more business uses, provided the proprietor of the business resides in the single family dwelling, and the business uses less than fifty percent of the anticipated gas usage served through a single meter. Service will be supplied only where the Company's facilities are suitable to the service desired. A Residential Customer shall remain a Customer after Discontinuance of Service or Termination of Service until the final bill for service is past due. The term includes a person who, within 30 days after Termination or Discontinuance of Service, seeks to have service reconnected at the same location or transferred to another location within the Company's service territory.

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 Customers under the terms of this Tariff. Each Customer may only have one supplier of last resort with one exception: The Company shall be under no obligation and shall have no duty to serve as Supplier of Last Resort to any Rate DS, IS, LFD, or XD customers.

DEFINITIONS - GENERAL (Continued)

- Tariff: The rates, rules, and regulations set forth herein, as may be amended, modified or superseded from time to time. The Tariff is on file with the PUC and available on the Company's website.
- Termination of Service: The cessation of service, whether temporary or permanent, without the consent of Customer.
- Unauthorized Use of Service: Unreasonable interference or diversion of service, including meter tampering (any act which affects the proper registration of service through a meter), by-passing unmetered service that flows through a device connected between a service line and customer-owned facilities and unauthorized service restoral.
- User Without Contract: A natural person who takes or accepts gas service without the knowledge or approval of the Company, other than the Unauthorized Use of Service as defined above.

RULES AND REGULATIONS**1. THE GAS SERVICE TARIFF**

1.1 Agreements. No agent or employee of the Company has authority to make any promise, agreement or representation not consistent with this Tariff.

1.2 Waiver of Rights. The failure by the Company to enforce any of the terms of this Tariff shall not be deemed a waiver of its right to enforce any of the terms of this Tariff.

1.3 Filing and Posting. A copy of this Tariff is on file with the PUC and is available on Company's website at <http://www.ugi.com>

1.4 Application of Rates: The rates named in this Tariff are based upon supply to one Customer through one meter at the same or contiguous property. Each service to a different location and/or of a different rate classification shall be billed as a separate Customer. Customers who take service at two or more locations on the same or contiguous property under the same rate schedule may, by request, have their use of gas combined for billing purposes; Customers electing to take advantage of this rule shall pay the cost of all additional service connections required unless, in the Company's sole judgment, the Company's investment in such connections is warranted by the revenue anticipated from the service to be supplied. The Company will provide Customers with a written explanation regarding its analysis of the arrangement's economics. Customers may not pool together for purposes of qualifying for a rate schedule.

1.5 Liability and Legal Remedies: The Customer will indemnify, defend and hold harmless the Company against all claims, demands, costs or expenses for loss, damage, or injury to person or property in any manner either directly or indirectly connected with or growing out of the supply or use of gas service by the Customer at or on the Customer's side of the point of delivery. Neither the Company nor the Customer will be liable to each other for any act or omission caused either directly or indirectly by strikes, labor troubles, accidents, litigation, federal, state or municipal laws or interference, or other causes not a result of each party's own negligence or intentional misconduct.

RULES AND REGULATIONS**2. CONTRACT FOR GAS SERVICE**

2.1 Application for Service. Every Applicant for Gas Service must apply through the Company. Non-Residential Applicants may be required to sign a contract for service consistent with this Tariff.

2.2 Right to Reject. The Company may limit the amount and character of service it will supply. It may reject applications where service is not available, or which might affect service to existing Customers, or for other good and sufficient reasons at the Company's sole discretion.

2.3 Facilities and System Access. Each Customer with a Daily Firm Requirement ("DFR") or peak usage capability of 1,000 MCF per day or greater shall provide the Company with the opportunity to review plans for the development of all gas facilities to the Customer's premises (including pipelines, mains, service lines and appurtenances), in order to assure safety and reliability, as follows:

- (a) If the Customer proposes to acquire, construct or contract for the use of service of gas facilities ("Customer gas facilities"), the Customer will provide advance notice to the Company in writing, at least sixty (60) days in advance of the earlier of the effective date of a contract or commencement date for construction of Customer gas facilities.
- (b) The Customer agrees to submit all design and construction specifications and drawings to the Company in advance of construction, which demonstrate compliance with all applicable requirements as to gas main and service construction and pipeline safety. If the Company determines that Customer gas facilities will encroach upon or interconnect with Company facilities, serve common gas utilization equipment with Company facilities or are in the immediate vicinity of Company facilities such that the safety of Company facilities may be adversely affected thereby, the Company shall have the right to approve the design and location of such Customer gas facilities. The Company shall act upon its right to approve such Customer gas facilities within ninety (90) days after the later of submission of all design and construction specifications and drawings to the Company, or Customer notification required under Rule 2.3(a), provided however, if the Company fails to respond in writing within the ninety (90) day time period the Customer may move forward with its project. Customer gas facilities will be deemed to encroach upon the Company's facilities when they would interfere with or prevent the Company from accessing, maintaining or operating its facilities or when the Customer gas facilities would be configured or located in a manner that would cause safety or reliability concerns with respect to the Company's facilities.
- (c) If the full sixty (60) day notice required in Rule 2.3(a) is not given by the Customer then the Customer shall be deemed to have granted the Company full authority to discontinue service upon discovery of any safety or reliability concerns. The Company will provide 24 hours' notice unless there are reliability or safety issues that must be addressed immediately. The Company shall not be liable for any costs or damages caused by such service discontinuance.

RULES AND REGULATIONS**2. CONTRACT FOR GAS SERVICE - Continued**

2.4 Selection of Rate Schedules. When the characteristics of usage or service conditions of an Applicant or Customer are such that more than one rate schedule is available, the Applicant or Customer shall select the schedule to be applied. Upon request, the Company will assist to a reasonable extent in selecting the most advantageous schedule. For Customers changing schedules, the Company will bill the Customer under the selected rate beginning with the date of the next scheduled meter reading following notification of the selected rate. When service under a Demand Charge rate commences prior to the installation of equipment for determining the Customer's demand, the Customer's demand for billing purposes will be estimated by the Company.

2.5 Use of Gas. The use of gas shall only be for the purpose and in the places identified by the customer in applying for service. The gas supplied by the Company shall not be resold without the express written permission of the Company. In the event that the Customer uses the gas in an improper or unsafe manner, in violation of this Tariff or any applicable federal, state or municipal laws or codes, the Company may immediately terminate service as described in the Service Discontinuation and Termination section of this Tariff. In the event that any loss is sustained as a result of Customer's improper or illegal use of the gas, the Customer agrees to indemnify, defend and hold harmless Company. The Company will not supply gas for any additional equipment, or any increased usage for any Customer, unless request was filed with the Company prior to the connection or increased usage. The Company reserves the right to limit or discontinue Gas Service or charge Customer upgrade installation charges in order to provide additional Gas Service. Customer is responsible for any loss of Gas Service to other Customers caused by failure to register.

2.6 Distribution System Bypass. Unless otherwise provided by contract, if any Customer or potential Customer of the Company bypasses the Company for all or a portion of their Natural Gas Service needs then the Company thereafter shall have no obligation to serve or maintain the gas supply or physical capacity necessary to serve the Bypass portion of such Customer load, provided, however, that the Company will continue to serve the un-bypassed portion of a bypassing Customer's load consistent with the terms of any existing service agreement and will negotiate new service agreements to continue service so-long as the anticipated revenues justify any costs of providing the service. In addition, to the extent that such Customer returns from a total bypass, the Company shall serve such Customer as a new Customer and shall have the right to charge a negotiated rate for continued, subsequent or standby service that, at a maximum, is established solely by competitive market conditions, which shall reflect the costs of the Customer's alternatives.

2.7 Conditions Under Which Service Will Be Rendered From Transmission or Gathering Lines. The Company does not undertake or hold itself out to serve Customers from its transmission or gathering lines. Applications for service therefore may, at the election of the Company, be accepted where the lines are being operated in a manner which will permit gas to be served to the Applicant without interference with its operations. Applicants, if accepted by the Company, must agree to comply with the Rules and Regulations of the Company and more particularly the following rules applicable to this type of service:

RULES AND REGULATIONS**2. CONTRACT FOR GAS SERVICE - Continued**

(a) Applicants agrees that service is only offered with the understanding that 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.

(b) Applicants agrees that the Company may at any time cancel service upon thirty (30) days' written notice to the Applicant and Applicant agrees that upon receipt of such notice of cancellation to promptly discontinue service within the said thirty (30) day period, and such cancellation and termination of service shall not be construed as an abandonment of service to such Customer within the meaning of the Pennsylvania Public Utility Code.

(c) The Applicant agrees to accept the gas at the varying pressures at which the line is operated from time to time and Applicant understands that such pressure is not governed by regulators but it is high and low and the Applicant expressly assumes the duty of regulating the flow of the pressure of gas delivered to him and he 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 from like causes incident to the use of gas.

(d) The Company shall not be liable for any deficiency in the supply of gas caused by the use of compressing stations, breakage of lines, variations in pressure, discontinuance of service or any other causes.

(e) The Company shall not be liable for any damage arising out of this agreement or the service supplied thereto.

(f) Service shall be at the sole risk of the Customer.

RULES AND REGULATIONS**3. GUARANTEE OF PAYMENT**

3.1 Deposits for Non-Residential Accounts. A cash deposit may be required from a Non-Residential Applicant to secure payment of bills for regulated distribution service. In addition, the Company may require a deposit, letter of credit or other adequate assurance of payment, or any combination thereof, from a Non-Residential Customer if the Non-Residential Customer has been delinquent in payment of any bill in the preceding twelve (12) months or the Company otherwise has reasonable grounds to require security for payment of bills. The deposit shall not be more than the bill for regulated distribution service for the estimated usage for one average monthly billing period plus that for the highest billing period within the most recent twelve (12) months with a minimum fifty dollars (\$50.00) deposit.

3.2 Additional Security from Large Volume Customers.

- (a) Whether or not the Company could otherwise require security for payment, the Company may require a deposit, letter of credit, other adequate assurance of payment, or any combination thereof, to the extent the Customer seeks any combination of delivery or retail service for volumes in excess of 3,000 MCF per month. Such security may be established for an amount as determined by the Company.
- (b) In addition, the Company may take one or more of the following actions:
 - (1) With the agreement of the Customer, reduce the meter reading and billing period to less than one month, require payment in no less than three calendar days from billing.
 - (2) Require payment by certified check or wire transfer; and
 - (3) Impose other procedures reasonably designed to reduce potential exposure to credit risk.
- (c) The Company may, in its discretion, specify the manner in which security and payments shall be credited and applied to past due or current bills or to replenish security.

3.3 Deposits for Residential Accounts. The Company may require a cash deposit from a Residential Applicant or Residential Customer to secure payment of bills for regulated distribution service based upon the following:

(a) A Residential Applicant or Residential Customer whose service was terminated for any of the following reasons:

- (1) Nonpayment of an undisputed delinquent account.
- (2) Failure to complete payment of a deposit, providing a guarantee or establish credit.
- (3) Failure to permit access to meters, service connections or other property of Company for the purposes of replacement, maintenance, repair, or meter reading.
- (4) Unauthorized Use of Service on or about the affected dwelling.
- (5) Failure to comply with the material terms of a payment arrangement.
- (6) Fraud or material misrepresentation of identity for the purposes of obtaining utility service.
- (7) Tampering with meters, including, but not limited to, bypassing a meter or removal of an automatic meter reading device or other Company equipment.

RULES AND REGULATIONS**3. GUARANTEE OF PAYMENT - Continued**

(8) Violating tariff provisions on file with the PUC so as to endanger the safety of a person or the integrity of the Company's delivery system.

(b) Any Residential Applicant who is unable to establish creditworthiness to the satisfaction of Company through the use of a generally accepted credit scoring methodology which employs standards for using the methodology that falls within the range of general industry practice and specifically assesses the risk of utility bill payment.

(c) A Residential Customer who fails to comply with the material terms or condition of a settlement or payment arrangement.

(d) A Residential Customer who has been delinquent in the payment of two (2) consecutive bills, or three (3) or more bills within the preceding twelve (12) months.

(e) The Company has established separate credit procedures and standards for Residential Applicants and Residential Customers who are victims with a protection from abuse order or for whom there is a court order from a court of competent jurisdiction in this Commonwealth, which provides clear evidence of domestic violence against the Residential Applicant or Residential Customer. These procedures shall be publicly posted on the Company's website and maintained on file in each of the business offices of the Company and made available, upon request, for inspection by members of the public.

3.4. Amount of Deposit for Residential Accounts. For Residential Applicants, the amount of the cash deposit shall not be more than 1/6 of a Residential Applicant's estimated annual bill, with such estimated annual bill determined at the time the deposit is required. In lieu of a cash deposit from a Residential Applicant, the Company may accept a written third-party guaranty on behalf of the Residential Applicant, provided that the guarantor establishes credit with the Company under Section 3.3 and the terms of the written guaranty are approved in writing by the Company, with such approval not to be unreasonably withheld. For Residential Customers, the amount of the cash deposit shall not be more than the estimated charges for service based on the Residential Customer's prior consumption for the period equal to one average billing period plus one average month, not to exceed two (2) months. Deposit amounts for Residential Applicants and Residential Customers may include Natural Gas Supplier charges where such Supplier is a participant in the Company's Purchase of Receivables Program.

3.5 Payment Period for Deposits.

(a) Any Non-Residential Applicant seeking to establish service at a new or different service location or seeking to reconnect service at the same service location previously terminated or discontinued, shall pay the required deposit in full prior to the provision of service.

(b) Any Residential Applicant or Residential Customer seeking to establish service at a new or different location or seeking to reconnect service at the same service location previously terminated or discontinued shall pay the required deposit in full within 90 days. A Residential Applicant or Residential Customer may elect to pay the required deposit in three installments as follows: 50% of the required deposit billed upon the establishment or reconnection of service, within

RULES AND REGULATIONS**3. GUARANTEE OF PAYMENT - Continued**

25% of the required deposit to be billed by the Company 30 days after the establishment or reconnection of service and the remaining 25% billed 60 days after the establishment or reconnection of service. Nothing shall preclude the Residential Applicant or Residential Customer from electing to pay the deposit in full before or on the due date.

(c) Any Customer receiving service from the Company shall pay the required deposit in full on or before the due date. A Residential Customer may elect to pay the required deposit in three installments as follows: 50% of the required deposit billed upon the determination by the Company under Section 3.3(c) or (d) above that the deposit is required, with 25% to be billed by the Company 30 days after the determination and the remaining 25% billed 60 days after the determination.

3.6 Deposit Hold Period for Residential Accounts. A timely payment history is established for a Residential Customer when the Residential Customer has paid in full and on time for twelve (12) consecutive months. Company may hold a deposit on a Residential Customer's account until a timely payment history is established (the "Deposit Hold Period"). At the end of the Deposit Hold Period Company shall credit the deposit, plus accrued interest, to the Residential Customer's account. Deposits credited after the end of the Deposit Hold Period shall first be applied to any past due amounts. If service is terminated or discontinued before the end of the Deposit Hold Period, Company shall deduct any outstanding balance from the deposit and return any positive balance to the Residential Customer within sixty (60) days.

3.7 Refund Provision Non-Residential Customers. Deposits secured from Non-Residential Customers will be refunded when the Customer discontinues service and has no unpaid bills or at Company's sole discretion.

3.8 Adjustments. The amount of the deposit may be adjusted when there is a change in consumption that will significantly change the amount of the deposit as computed in Rule 3.1 and 3.4.

3.9 Interest on Deposits. Deposits from all Customers shall bear interest computed at the simple annual interest rate determined by the Secretary of Revenue for interest on underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as The Fiscal Code which will be credited annually to the Customer's deposit or account. The interest rate in effect when the deposit is required to be paid shall remain in effect until the later of the date the deposit is refunded or credited or December 31 of each year. On January 1 of each year, the new interest rate for that year will apply to the deposit. Deposits shall cease to bear interest upon termination or discontinuance of the service covered by the deposit.

3.10 Prior Debts.

(a) Non-Residential Accounts. As a condition of furnishing, transferring or reconnecting service to a Non-Residential Applicant or Non-Residential Customer, the Company may require payment of any outstanding balance on any account for which the Non-Residential Applicant or Non-Residential Customer is legally responsible.

RULES AND REGULATIONS**3. GUARANTEE OF PAYMENT - Continued**

(b) Residential Accounts. As a condition of furnishing, transferring or reconnecting service to a Residential Applicant or Residential Customer, the Company may require payment of any outstanding balance which accrued within the past four years on any account for which the Residential Applicant or Residential Customer is legally responsible. The foregoing four-year limitation shall not apply if the outstanding balance includes past due amounts that the Company was not aware of due to Unauthorized Use of Service, fraud or theft; in which case, the Company may require payment of all such past due amounts without regard to the four-year limitation. The Company may render a make-up bill to a Residential Customer for previously unbilled service which accrued within the past four (4) years resulting from billing error, meter failure, leakage that could not reasonably have been detected or loss of service. If the make-up bill exceeds the otherwise normal estimated bill for the billing period during which the make-up bill is issued by at least 50% or at least \$50, whichever is greater, the Company shall, at the option of the Customer, amortize the bill at least as long as: (1) the period during which the excess amount accrued; or (2) necessary so that the quantity of service billed in any one billing period is not greater than the normal estimated quantity for that period plus 50%.

(c) The Company may utilize all means of determining an Applicant's or Customer's liability for any outstanding balances, including, but not limited to, the following: (1) use of Company records that contain confidential information previously provided to the Company, (2) information contained on a valid mortgage, lease or deed, (3) other information contained in the Company's records that indicate that the Applicant was an adult Occupant during the time the balances accrued, (4) use of commercially available consumer credit reporting service, (5) use of commercially available skip tracing software that contains records of names and addresses, and (6) use of information contained in credit reporting data utilized by the Company.

RULES AND REGULATIONS**4. SERVICE - SUPPLY FACILITIES**

4.1 Facilities Ownership. Unless otherwise mutually agreed in writing that particular facilities are owned by the Customer, and except as provided in Sections 4.3 below, the Company will own and maintain any facilities required for the supply of Gas Service up to the outlet side of its metering equipment, including but not limited to, any mains, service lines, meters, regulators, connections or other equipment. All such equipment shall remain the exclusive property of the Company.

4.2 Facilities Location. The location of the Company's facilities shall in all cases be determined by the Company. The Customer shall provide, without charge, a suitable place for the meters, regulators or other equipment of the Company. The Customer is responsible to provide the connection point to the Customer's fuel line at a location adjacent to the terminus of Company facilities and where the connections are not concealed. Such service line, meter and connection locations shall be accessible to the Company's employees for the safe installation, operation, inspection and maintenance of the facilities and shall be, at all times, readily accessible, and if inside, free of excessive temperature variations, with ample passageway, and whether inside or outside, free of obstacles, and unsafe and hazardous conditions and, if not accessible, the Company has ability to charge the Customer to move facilities to a location acceptable to the Company. The owner of a premises receiving or capable of receiving natural gas service from Company shall be deemed to consent to the location of Company facilities on the premises.

4.3 Customer Convenience Valve. Company may, in its sole discretion, install a valve on the outlet side of its metering facilities which shall be owned by the owner of the premises ("Customer Convenience Valve"), and the owner of the premises may, under such conditions as may reasonably be established by Company, operate the Customer Convenience Valve after it is connected to the premise's fuel lines.

4.4 Fuel Line Designation. When two or more meters are installed on one premises, such as an office building or an apartment house, they shall be grouped at one common place accessible for reading and testing. In such an installation, each fuel line pipe shall bear a tag showing the apartment or area served, supplied by and maintained by the Customer. In cases where it is not possible to group meters at one accessible place, they shall be located as directed by the Company.

4.5 Facilities Relocation.

- (a) Changes in location of mains, service lines, meters, regulators, connections or other equipment for the accommodation of the Customer shall be done by the Company, unless otherwise mutually agreed, at the expense of the Customer. This provision includes the relocation of facilities by the Company where obstructions limit Company access to its facilities.

RULES AND REGULATIONS**4. SERVICE - SUPPLY FACILITIES - Continued**

(b) Ancillary Fuel Line Work. The Company may, in its sole discretion, when relocating its facilities, make reasonable modifications or additions to the fuel lines of a premises receiving or capable of receiving gas service for the limited purpose of connecting such fuel lines to Company's relocated facilities, and the owner of the premises shall thereafter own and have responsibility for such modified fuel lines. If Company relocates its facilities solely for its convenience or to comply with regulatory requirements it shall pay the costs of relocating or extending the fuel line; otherwise, unless otherwise agreed by Company, the person requesting or requiring the relocation shall be responsible for payment.

4.6 Right of Removal. The Company shall have the right to remove its facilities from the premises of the Customer or, where appropriate, abandon facilities in place, at any time after the termination of service, whatever may have been the reason for such termination.

4.7 Non-Standard Service. The Customer may be required to pay the cost of any special installation necessary to meet Customer's requirements for Gas Service at non-standard conditions.

4.8 Protection of Company Facilities. The Company may condition its provision or continued provision of Gas Service to a Customer on: (a) installation by Customer of equipment, such as check valves or regulation equipment, downstream from Company-owned facilities reasonably necessary to protect Company facilities or service levels, or (b) the installation by Company of equipment, such as valves designed to limit the flow of gas to levels Customer is permitted to receive, reasonable necessary to protect Company facilities or service levels. Unless otherwise agreed to by the Company, the Customer shall be responsible for the costs of such facilities required under this Section 4.8.

4.9 Excess Flow Valves. The Customer may be required to pay the cost of installation of an excess flow valve, upon a Customer's request for an excess flow valve, for a service location that had not been scheduled by the Company for a service line replacement or a new service line prior to the Customer's request for the installation of an excess flow valve.

RULES AND REGULATIONS**5. EXTENSION REGULATION**

5.1 Obligation to Extend or Expand. Under the rules set forth below and under normal conditions of construction and installation, upon written application, the Company will extend or expand its facilities within its service territory, provided that (a) the requested extension or expansion will not adversely affect the availability or deliverability of gas supply to existing customers and (b) the Company's investment in facilities is warranted by the Annual Base Revenue to be derived from the extension. The costs of extending or expanding facilities beyond that Company's Allowable Investment Amount shall be paid by the Extension Applicant as a contribution. Upon request, the Company will provide Customers with a written explanation and reasonable detail of the cost-benefit analysis used in clause (b) above including estimated project costs, the Company's maximum allowable investment, and the Company's Annual Base Revenues. In addition, the Company will provide the Customer with a written time table for the anticipated construction of the upgrade and written notice of completion.

5.2 General

- (a) Annual Base Revenue. As used in this Section 5, the Annual Base Revenue is the anticipated annual base rate revenue from the extension or expansion, as determined by the Company, less the cost of fuel included in base rates. Where gas is used as a supplemental source of fuel for peak heating purposes, anticipated base revenues from such use shall be excluded from Annual Base Revenue.
- (b) Allowable Investment Amount. The Company's Allowable Investment Amount shall be the Annual Base Revenue divided by a predetermined rate of return.
- (c) Estimates and non-standard costs. Cost estimates used by the Company may be based on construction and installation conditions anticipated for the extension, including, but not limited to, the cost of installation and construction, non-street surface restoration, such as replacement or repair of sidewalks, driveways, landscaping or sod, street opening and restoration terms and fees, and any other local government fees required for the installation. The Company may determine cost estimates based on average experienced unit costs.
- (d) Surface Restoration. The Company will restore the street surface in accordance with applicable local government regulations and provide rough backfilling of the installation trench from the curb to the meter. The Extension Applicant will be required to perform or pay the Company's cost of non-street surface restoration.
- (e) Standard conditions of construction in a residential development, commercial park and industrial park include trenching provided by the developer.

5.3 Residential and Small Commercial Gas Service. For Gas Service to individually-metered, single dwelling units, the Company will install required service facilities, including, as applicable, a meter, regulator, service-supply pipe and supply-main, provided the costs in excess of the Allowable Investment Amount shall be paid by the Extension Applicant.

5.4 Commercial and Industrial Gas Service (including apartment buildings and multi-unit housing)

RULES AND REGULATIONS**5. EXTENSION REGULATION -Continued**

- (a) For commercial and industrial Gas Service costing up to \$10,000 from which the Company in its sole judgment anticipates long-term, continuous usage at projected volumes, the Company will install, required service facilities, including, as applicable, a meter, regulator, service-supply pipe and supply-main, provided that the costs in excess of the Allowable Investment amount shall be paid by the Extension Applicant.
- (b) The Company may condition its agreement to extend or expand its facilities upon satisfactory long-term and short-term usage commitments and any other terms and conditions of service as are mutually agreeable to the Company and the Extension Applicant. A contribution may be required up to the amount of the Company's total investment in the extension.

5.5 Contributions and Refunds

Except as otherwise described herein, when a contribution is required by the Company, the terms and conditions of refunds and or future payments that may be required of the Extension Applicant will be governed by the service agreement between the Company and the Extension Applicant. The terms of any refund due to the Extension Applicant shall be defined in the service agreement and shall be limited to a maximum refund of the amount of the original contribution (no interest) and shall be limited to the five-year period immediately following completion of this extension.

5.6 Taxes on Contributions for Construction & Customer Advances.

Any contribution, advance or other like amounts received from the Extension Applicant which shall constitute taxable income as defined by the Internal Revenue Service, will have the income taxes recorded in a deferred account for inclusion in rate base in a future rate case proceeding. Such income taxes associated with a contribution or advance will not be included as part of the contribution or advance charged to the Extension Applicant.

5.7 Daily Metering.

The Company reserves the right as a condition of service under non-residential Tariff rate schedules to install, at the Customer's expense, remote read devices for the purposes of monitoring and/or billing Customer volumes, at every single meter or multimeter location served under such rate schedules. The Customer shall at all times, at the discretion of the Company, maintain, at its expense, a suitable telecommunication and electric lines to the device which will allow the Company unlimited remote access to the remote read device. If the Customer fails to maintain a suitable telecommunication connection and electric lines to the device, the Company reserves the right to install and maintain telecommunication and, as applicable, electric lines to serve the remote read device and charge the Customer accordingly.

Standard access to daily usage information shall be provided by the Company to the Customer, or Customer's agent, at no additional charge in a form and manner as specified by the Company. Custom reports, access to historical data beyond one month and/or multiple user access may be provided on an as-available basis by the Company for an additional fee.

RULES AND REGULATIONS**5. EXTENSION REGULATION -Continued****5.8 - Pilot Growth Extension Tariff ("GET Gas") Rider**

5.8.1 Availability and Purpose. In lieu of the extension rules set forth in Rules 5.1-5.7, the following GET Gas tariff rules may apply. These GET Gas tariff rules will be applied to eligible customers as part of a ten-year pilot program, unless suspended or terminated earlier pursuant to Rule 5.8.4 or Commission order.

The GET Gas pilot program is designed to test new tariff rules to facilitate the extension of natural gas service to the general class of residential homes and non-residential buildings, not currently receiving natural gas distribution service, which:

- (a) are in an Unserved Area (a small group or pocket of customers in a neighborhood location in close proximity to an existing main) or an Underserved Area (a significant portion of a general community or town location or municipality where the Company has identified significant potential for natural gas service demand and existing natural gas facilities are located within a reasonable distance);
- (b) are reasonably expected over time to reach target customer saturation levels which will produce revenues, including GET Gas Rider charges, that will support required investments and not unduly burden existing customers; and
- (c) otherwise meet the applicable requirement conditions of the GET Gas program.

Under the GET Gas Program, the Company may designate Company facilities extended to an applicant or applicants, as "GET Gas Facilities" and will assess an incremental GET Gas Rider charge amount related to the recovery of GET Gas amounts, as determined on a general class basis, from the class of customers who may connect to these GET Gas facilities during an initial twelve-year period.

5.8.2 Designation. Subject to the funding limitations set forth in Rule 5.8.5, Company may apply the GET Gas program tariff rules to service extension requests which exceed a cost of \$15,000 from an Underserved Area or an Unserved Area reasonably designated by Company, where:

- (a) there is, in the Company's sole discretion, a reasonable prospect that (i) fifty percent (50%) or more of existing residential homes along the GET Gas project facility extension route or area will convert their primary heating source to natural gas and directly connect to the GET Gas facilities within 12 years ("GET Gas Customers"); and
- (b) the estimated total investment for each GET Gas Customer to be connected does not exceed \$10,000 (inclusive of any projected commercial customers).

RULES AND REGULATIONS**5. EXTENSION REGULATION - Continued**

5.8.3 Get Gas Rider. Customers receiving service by connections to Company facilities designated by Company as GET Gas pursuant to Rule 5.8.2 within an initial twelve years following installation, and which receive service under Rate Schedules R, RT, N or NT, shall be required to pay GET Gas Rider charges listed below as part of distribution service for a period of ten years, beginning from the first date the meter is set. GET Gas Rider charges will not be considered Basic Natural Gas Service Charges during the Pilot Period. Non-residential customers subject to the GET Gas Rider charge, as determined by the Company in its sole discretion, may not avoid the charge by electing an alternate rate schedule. In lieu of paying the monthly GET Gas Rider charges, Customers may elect at any time to pay a lump sum upfront payment equal to the remaining principal portion of the GET Gas surcharge. The lump sum upfront payment made by Non-Residential Customers shall be based on anticipated annual customer usage, as determined by the Company in its sole discretion.

GET Gas Rider Rate:

Rate Schedules R and RT: \$21.75 monthly charge

Rate Schedules N and NT: \$7.86 monthly charge plus \$1.07 per Mcf for all usage.

5.8.4 Limitations. If the differential between Average Residential Annual Natural Gas Costs per MMBtu and Average Residential Annual Heating Oil Costs per MMBtu drops and remains below \$10.00 per MMBtu for two consecutive quarters (with such calculations performed for the quarters ending March, June, September and December), the Company will evaluate whether to continue to invest in new GET Gas facilities based on market specifics at that time, except that the Company will continue to invest in (a) service connections to GET Gas Facilities that are already installed or (b) GET Gas projects that are currently underway or have been committed to by the Company.

For purpose of the above limitation:

Average Residential Annual Heating Oil Costs per MMBtu = (twelve-month future period average of NYMEX "HO" Contract) plus (delivery variable); and

Average Residential Annual Natural Gas Costs per MMBtu = (All applicable Rate R volumetric rates and riders) plus (All applicable Rate R monthly charges, excluding the monthly GET Gas Rider, divided by the current average annual residential volumes)

Company also reserves the right to temporarily close or to terminate the program at its discretion for good cause.

5.8.5 Funding. Funding for this pilot GET Gas tariff program shall be limited to an annual average level not to exceed \$15 million for the duration of the ten-year pilot term, absent Commission approval to exceed this amount.

RULES AND REGULATIONS**6. CUSTOMER'S RESPONSIBILITY FOR COMPANY'S PROPERTY**

6.1 Maintenance of Company Equipment. Company shall own and maintain Company facilities through the Point of Delivery, but shall not be required to install or maintain any pipes, appurtenances or equipment beyond that point, unless specifically provided for in writing.

6.2 Access to Premises. The authorized agents and/or employees of the Company shall have free access at all reasonable times to the premises of the Customer for the purpose of reading meters and disconnecting service, for installing, testing, inspecting, repairing, adjusting or removing any Company property. Authorized agents of the Company shall have immediate access to any premises whenever they believe an unsafe or hazardous condition exists.

6.3 Protection by Customer. The Customer shall be responsible at Customers expense for the protection of the Company's property on his premises, and shall not permit any unauthorized person to do any work on such property. In the event of damage or destruction of Company's facilities on Customer's property, the Customer shall pay the costs of repairs, replacement, and/or related costs.

6.4 Tampering and Theft of Service

(a) Tampering. In the event the Company's meter or other equipment is tampered or interfered with, the Customer shall pay the amount which the Company may estimate is due for service used but not registered on the Company's meter, and for any repairs or replacements required, as well as for costs of inspections, investigations, and protective installations. Such tampering will be grounds for immediate termination of service without notice as specified in the Termination of Service and Disconnection section of this Tariff.

(b) Theft of service occurs when a person obtains gas, by deception, tampering with Company facilities or other means designed to avoid payment for gas provided by Company. Persons who obtain gas through such means may be subject to civil suit and/or criminal prosecution. If theft of service occurs, the Company may immediately terminate service to the location receiving the unauthorized service.

(1) Before service will be restored to the affected location, the Customer must pay (1) for all gas consumed during the period of unauthorized usage, (2) any delinquent gas service balance, including late fees, (3) reconnection fees, (4) a security deposit, and (5) the costs associated with damage to the Company's meters or equipment.

(2) In the event that the theft of service is referred for criminal prosecution, the Company may deny gas service until the case is concluded and any restitution ordered is paid.

RULES AND REGULATIONS**6. CUSTOMER'S RESPONSIBILITY FOR COMPANY'S PROPERTY - Continued**

6.5 Continuity of Service. The Company will endeavor at all times to provide reasonable and continuous service to the Customer. The sole liability of the Company for failure to furnish a sufficient supply of gas or for failure to transport Customer's gas shall be limited to an amount equal to the Customer's proportionate monthly Customer charge for the period of time during which a Gas Service failure occurs during which a supply failure occurs. In no event shall the Company be liable for direct, extraordinary, special, or consequential damages arising in any manner whatsoever as a result of supply failure.

6.6 Notification of Construction. It will be the Customer's responsibility to notify the Company and any applicable federal, state or local agencies (i.e., Pennsylvania's One Call System, Inc.) prior to digging or before any construction occurs on the Customer's property that may impair or prevent access by the Company to its service line or any other equipment located on the Customer's property.

6.7 Gas Leaks. It is the responsibility of the Customer to exercise all due care in the detection of defects, leaks, or other dangerous developments incident to the handling of gas. The Customer agrees to immediately inform Company of any gas leaks and in the event of any resulting loss thereof, failure to do so may result in an evidentiary finding of contributory or comparative negligence on the part of the Customer.

6.8 Suspension of Service. For the purpose of making repairs to the mains or other parts of its system, the Company may suspend service for such periods as may in its sole judgment be necessary.

6.9 Company's Right to Inspect. Piping, fixtures and appliances on Customer's premises must be installed at the expense of the Customer or owner of the property. The Company shall have the right, but shall not be obligated, to examine the Customer's installation and appliances at the time service is first supplied or at any later time. If at any time the installation or appliance is found defective or unsafe, service may be refused or discontinued until Customer has the condition corrected. The Company's inspection, or failure to inspect or reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects or inadequacies in the installation, piping, or appliances, or from violation of the Company rules, or from accidents which may occur upon the premises of the Customer.

RULES AND REGULATIONS**7. METER READING**

7.1 Definition of a Cubic Foot. A cubic foot shall be the amount of gas that occupies a volume of one cubic foot at an absolute pressure of 14.73 pounds per square inch and a temperature of 60° Fahrenheit. To determine the volume at conditions other than standard pressures of gas delivered, factors such as those for pressure, temperature, specific gravity, caloric value, and deviation from the laws of ideal gases may be applied.

7.2 Method of Measurement. Gas usage shall be measured by Company owned meters.

7.3 Pressure Correction. At the Customer's request, the Company may allow delivery at an elevated pressure that exceeds the standard pressure of seven-inches water column (7" W.C.). In situations where delivery pressure is two pounds per square inch or greater, the Company may choose to use a fixed factor to account for the higher energy content of the higher pressure gas, whereby the metered volume is multiplied by the pressure factor to determine the correct energy consumed. In cases where the Company agrees to provide delivery service at such an elevated pressure without a fixed factor, a supplemental device will be installed at the Customer's expense to correct the meter reading for pressure and temperature, the cost of which shall be estimated, inclusive of overhead amounts, however, the Company and Customer may negotiate cost responsibility for installation of pressure mechanisms upon mutual agreement. The Company may reject a Customer's request for non-standard service at elevated pressure for system operational reasons, where the Customer does not agree to pay the cost for non-standard service, where applicable, under Rules 4.7, 5.3 or 5.4(a), or for any other reason that the Company may determine at its sole discretion.

7.4 Meter Tests. The Company may, from time to time and at its expense, inspect and test its meters. The Customer has the right to have the Company test the meter in service at the Customer's premises, and, upon written request, the Company will, as applicable, remove, seal and test the meter in accordance with the Gas Service Regulations of the Pennsylvania Public Utility Commission ("Regulations") or secure an in-person meter reading to confirm the accuracy of an automatic meter reading device when a customer disconnects service or a new service request is received. Together with the written request for a meter test, the Customer shall deposit with the Company the meter testing fee specified by the Regulations. If the meter tests within the accuracy limits specified by the Regulations, the meter shall be deemed for all purposes to have registered accurately. In such case, no billing adjustment shall be made and the meter testing fee deposited with the Company shall be credited to the Company.

7.5 Adjustment for Meter Error. If any meter becomes defective or fails to test accurately, an adjustment will be made to the Customer's bill in accordance with the Regulations and the meter testing fee deposited with the Company shall be refunded to the Customer.

7.6 Meter Test Fees. The Company may assess the following service charges:

Meter Size:	0 - 500 CFH	\$10.00
	501 - 1500 CFH	\$20.00
	Over - 1500 CFH	\$30.00

RULES AND REGULATIONS**8. BILLING AND PAYMENT**

8.1 Billing Month. Bills are rendered monthly. The Company normally reads meters monthly. However, at its option, the Company may read meters once every two months. In instances where meters are read every two months, the first month's bill will be based on an estimate of the consumption for the first month of the bi-monthly period. Bills are due when rendered and shall be considered as received by the Customer when left at, or mailed to, the address where service is rendered, or such other address as designated by the Customer. A billing month is the period upon which a Customer's monthly charges and consumption are computed and for which a bill is rendered. For Residential Customers, the billing month is a period of not less than 26 or greater than 35 days. An initial bill for a new Residential Customer may be less than 26 days or greater than 35 days; provided however, if an initial bill exceeds 60 days the Residential Customer shall be given the opportunity to amortize the amount over a period equal to the period covered by the initial bill without penalty. A final bill due to the discontinuance may be less than 26 days or greater than 35 days but may never exceed 42 days. In cases involving termination, a final bill may be less than 26 days. In addition, bills for less than 26 days or more than 35 days shall be permitted if they result from rebilling initiated by the Company or Customer dispute to correct a billing problem. Bills for less than 26 days or more than 35 days shall be permitted if they result from a meter reading route change initiated by the Company.

8.2 Estimated Consumption. When the Company is unable to obtain an actual meter reading because of inability to gain access to the meter, or because of extreme weather conditions, emergencies, equipment failures, work stoppages or any other circumstances, the Company will render appropriately marked estimated bills.

8.3 Application of a Rate Schedule. The Company will compute bills under the rate schedule selected by and for which the customer qualifies. In the event the customer does not select a Rate Schedule, the Company may discontinue service or place the Customer on a rate schedule for which the Customer qualifies.

8.4 Budget Billing. Residential Heating Customers may elect an optional billing procedure which averages the estimated Company regulated service costs over a revolving twelve (12) month Budget Billing plan. These Customers will be billed for the use of gas during the next eleven (11) months beginning with whatever month that they select. Company will review the Budget Billing amount on the fourth (4th), seventh (7th) and tenth (10th) months annually adjusting upward or downward the Budget Billing amount based on actual charges to date and projected charges to the end of the twelve (12) month Budget Billing. The twelfth bill will be for usage for the month, with an adjustment for the difference between payments made and actual charges for gas service for the prior eleven (11) months, inclusive. At the conclusion of the budget billing year, any resulting reconciliation amount exceeding \$100 may be amortized over a twelve (12) month period upon Residential Heating Customer request.

The optional twelve (12) month Budget Billing plan, as described above, is available to Commercial and Industrial Heating Customers provided that at least seventy-five (75) percent of the Customer's total gas consumption is for space heating. If a Customer has an unpaid balance equal to the amount of two (2) Budget Bill Plan bills, billing under this plan may be terminated by the Company.

8.5 Payment Due Date. The due date for payment of Residential Customers' bills shall not be less than twenty (20) days from the date of mailing and fifteen (15) days for a Non-Residential Customer's bill with the exception that bills to the Commonwealth of Pennsylvania, the Government of the United States, or any of their

RULES AND REGULATIONS**8. BILLING AND PAYMENT - Continued**

agencies, and elementary and secondary schools shall be due fifteen (15) days after the date of mailing unless otherwise extended to thirty (30) days by mutual agreement. For all billings, if the due date for payment should fall on a Saturday, Sunday, bank holiday or any other day when the offices of the Company where payments are regularly received are not open to the general public, the due date shall be extended to the next business day. Failure to receive a bill will not release the Customer from payment obligations.

8.6 Date of Payment for Residential Customers. For payments by mail, the effective date of payment shall be the date of the postmark. For payments by mail which are not postmarked or postmarked clearly, the effective date of payment shall be one day prior to receipt. For payments made through electronic transmission, the effective date of payment shall be the date of actual receipt of payment by the Company. For payments made at a branch office or an Authorized Payment Agent, the effective date of payment shall be the date of actual receipt of payment at that location.

8.7 Late Payment Charge. Late Payment Charges will be applied as follows to the balance due which is not paid by the due date including amounts billed by the Company on behalf of natural gas suppliers other than the Company. Residential Customers will be charged a late payment charge of one and one half (1 1/2) percent per month on the balance due not paid by the due date; provided that, for a Residential Customer's payment by mail, the Company shall not impose a late payment charge unless payment is received more than 5 days after the due date. Non-Residential Customers will be charged five (5) percent per month on the balance due not paid by the due date and an additional one and one half (1 1/2) percent per month for each month thereafter.

8.8 Return Check Service Charge. The Company may impose a service charge of the greater of thirty-five dollars (\$35.00) or maximum allowed by Commonwealth of Pennsylvania for each check received in payment of bill(s) which is dishonored and returned by the bank upon which it is drawn. The Company may require a Customer to tender non-electronic payment after the Customer tenders two (2) consecutive electronic payments that are subsequently dishonored, revoked, canceled or otherwise not authorized.

8.9 Due Date Extension Program. Residential Customers meeting the qualification requirements of the Due Date Extension Program shall, upon written application, have the due date for payment of bills for service to their personal residence extended. To qualify, Applicants must submit proof that their sole source of support, and that of others in their household, is derived from a permanent fixed income plan, issuing monthly checks. Under the program, the due date for payment on a bill normally falling due between the sixth day of the month and the twentieth day of the month shall be extended to the first working day after the twentieth of the month. The due date for payment on a bill normally falling due between the twenty-first day of the month and the fifth day of the following month, shall be extended to the first working day after the fifth day of the latter month.

8.10 Application of Payments for Rates RT and NT. Where Company renders a bill for natural gas supply service on behalf of a Choice Supplier and a partial payment received, the partial payment shall first be applied to pre-retail access Company balances and then to post-retail access balances. In the event a customer has a pre-retail access Company balance, partial payment shall be applied in the following order of priority:

RULES AND REGULATIONS**8. BILLING AND PAYMENT - Continued**

1. First to outstanding pre-retail access Company balances, or the installation amount on a payment arrangement with the Company on this balance; then to
2. Current regulated Company charges; then to
3. Choice Supplier supply charges; then to
4. Non-Basic Service charges; then to
5. Hardship Energy Fund contributions.

In the event a Customer develops a post-retail access balance, partial payment shall first be applied to the pre-retail access Company balances in the order of priority specified above. Thereafter, partial payment shall be Company applied in the following order of priority:

1. First to outstanding post-retail access Company Balances, or the installat amount on a payment arrangement with the Company on this balance; then to
2. Current regulated Company charges; then to
3. Choice Supplier service charges; then to
4. Non-Basic service charges; then to
5. Hardship Energy Fund contributions.

Where Company renders a budget bill on behalf of a Choice Supplier for Natural Gas Supply service, partial payments shall be applied on a pro rata basis after outstanding pre-retail access balances and post retail access balances have been paid in accordance with the orders of priority specified above. For purposes of this Section, pre-retail access balances means outstanding account balances incurred prior to Customer transferring to Rate RT and NT.

For purposes of this Section, post-retail access balances means outstanding account balances incurred after Customer transfers to Rate RT and NT.

8.11 Joint Billing. Joint Billing provides Customers with one combined account and a combined invoice that displays charges for both their gas and electric service and pertains to Customers that are the same class as described below and receive both gas service from the Company and electric service from UGI Utilities, Inc. - Electric Division ("UGI-ED") at the same premises. Eligible Customers shall be Residential Customers receiving service under Rate Schedules R and RT who are also Residential Customers of UGI-ED receiving electric distribution service under UGI-ED Rate Schedules R, and Commercial and Industrial Customers receiving service under Rate Schedules N and NT who are also Commercial and Industrial Customers of UGI-ED receiving electric distribution service under UGI-ED Rate Schedules GS1, GS4, and GS5, unless they elect otherwise in writing or through mutual agreement with Company. Eligible Customers shall be combined into a single Customer account for service received from the Company and UGI-ED, and shall receive combined bills separately listing charges from each company. The Company and UGI-ED shall, for such combined accounts, and subject to applicable statutory and regulatory requirements, establish a reasonable hierarchy of categories for the posting of partial payments to such joint accounts, and within each such category payments shall first be posted, as applicable, to UGI-ED or Electric Generation Supplier charges before being posted to UGI Gas Division or Natural Gas Supplier charges.

RULES AND REGULATIONS**8. BILLING AND PAYMENT - Continued**

8.12 Payment Refunds. Refunds due customers greater than two dollars (\$2) shall be mailed to the Customer. Refunds less than two dollars (\$2) may be picked up at the office within sixty (60) days. After sixty (60) days, the refund shall be applied to Operation Share.

8.13 Unless otherwise stated in this Section 8, Billing and Payment, all billing and payment provisions of this section apply to Customers served under all Company rate schedules, including Rate Schedules RT and NT where a Customer's Choice Supplier also participates in the Company's Purchase of Receivables ("POR") program.

RULES AND REGULATIONS**9. TERMINATION AND DISCONTINUANCE OF SERVICE**

9.1 (a) Termination of Service. The Company may terminate service on reasonable notice and remove its equipment in case of Customer's (i) nonpayment of an undisputed delinquent account, (ii) failure to complete payment of a deposit, provide a guarantee of payment or establish credit, (iii) failure to permit access to meters, service connections or other property for the purpose of replacement, maintenance, repair or meter reading, (iv) failure to comply with the material terms of a payment arrangement, or (v) violation of tariff Rules and Regulations. The Company may terminate service promptly and without notice for Customer's (i) Unauthorized Use of Service delivered on or about the affected dwelling or premises, (ii) fraud or material misrepresentation of the Customer's identify for the purpose of obtaining service, (iii) abuse of or tampering with the meters, connections or other equipment of the Company, (iv) violating tariff Rules and Regulations which endanger the safety of a person or the integrity of the Company's distribution system, (v) tendering payment for reconnection of service that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice, or (vi) after receiving termination notice from the Company, tendering payment which is subsequently dishonored under 13 Pa. C.S. § 3502, or, in the case of an electronic payment, that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice. Prior to restoration of service terminated for any of the foregoing reasons, the Company may require a payment in advance of all arrearages, applicable deposit, and a reconnect charge of seventy-three dollars (\$73).

(b) For Residential Customers, the Company will use financial information from the Customer provided within the most recent twelve (12) month period to determine if a customer exceeds the 250% federal poverty level threshold. The Company will not require customer information to verify income if the customer has established income verification through receipt of LIHEAP within the past twelve (12) months or if the customer is currently participating in CAP. The Company will accept the following as verification of household income in determining whether an account under Chapter 56 is protected from termination during the period of December 1 through March 31: (i) recent pay stubs or W-2 forms, (ii) access card or statement from Department of Public Welfare ("DPW"), (iii) if a source of income is rental income, then a verified copy of rent receipt(s), (iv) if the Residential Customer receives social security payments, pension payments, disability payments, Supplemental Security Income (SSI) payments, or any other source of fixed income with direct deposit, then a copy of bank statement or benefit letter, (v) child support and/or alimony support verification letter, (vi) if the Residential Customer receives payments from unemployment benefits or workers' compensation, then a copy of the determination letter or check stub, (vii) previous year's income tax statement, (viii) a filed 1099 form showing any interest income, annuity or dividends, and (ix) a verification letter from DPW of any approved cash or crisis grant applicable to the current heating season.

9.2 Discontinuance of Service. Any Customer who is about to vacate any premises supplied with gas service or wishes to have service discontinued for any reason shall give at least seven (7) days written notice to the Company and any non-Customer Occupant of the premises to which service is being supplied, specifying the date on which it is desired that service be discontinued. If a Residential Customer requests a Discontinuance of Service at the Residential Customer's residence, and the Residential Customer and the members of the Residential Customer's household are the only Occupants, the Company may discontinue service without additional notice to the affected premise. If a Customer (other than a landlord ratepayer) requests a Discontinuance of Service

RULES AND REGULATIONS**9. TERMINATION AND DISCONTINUANCE OF SERVICE - Continued**

at a dwelling other than the Customer's residence or at a single meter, multi-family residence, whether or not the Customer's residence, the Customer must state in writing (under penalty of law) that the premises are unoccupied. If the premises are occupied, the Customer's written notice requesting Discontinuance of Service must be endorsed by all affected Occupants. If the foregoing conditions are not met, the Company may discontinue service at the affected premises upon notice to the affected premises in accordance with Chapter 56. The Customer shall be liable for gas consumed until transfer of the account or the meter shut off. When Discontinuance of Service by Customer is for a period of less than twelve (12) months, the Company may require a payment of customer charges for each month the service has been discontinued in order to have the service restored.

9.3 If service to any Non-Residential Customer is terminated for the reasons set forth in Sections 9.1 (Termination of Service) or discontinued in accordance with 9.2 (Discontinuance of Service) hereof, the Company shall not be under any obligation to resume service to the same Customer at the same premises within twelve months unless it shall receive payment of an amount equal to the minimum bill for each month of the intervening period.

9.4 Reconnect Charge. If service to a Customer is discontinued at the request of the Customer, the Company shall not be under any obligation to resume service to such customer, at the same premises, within twelve (12) months from the date service was discontinued, unless they shall first receive a reconnection charge of Seventy-Three Dollars (\$73.00). In addition, if the Customer's service was discontinued at the Customer's request, a payment of the applicable minimum charge for each month that service was discontinued shall be required. A Customer at the same premise who requests seasonal service and has gas shut off and turned on within twelve-month period shall be billed an amount equal to the minimum charge under the applicable rate for each month service was shut off up to the twelve month period.

RULES AND REGULATIONS**10. RIDER A****STATE TAX ADJUSTMENT SURCHARGE**

The State Tax Adjustment Surcharge is applicable to the net monthly rates and minimum charges contained in this Tariff. The surcharge shown below will be recomputed when a tax rate used in the calculation changes and/or the Company implements a change in rates.

The recomputation of the surcharge will be submitted to the PUC within 10 days after the occurrence of a reason for surcharge recomputation shown above. If the recomputed surcharge is less than the one in effect the Company will, and if more may, submit a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after the filing.

Rider A - State Tax Adjustment Surcharge is 0.00%

This Rider applies to Rates R, RT, GL, N, NT, GBM, DS, and LFD.

RULES AND REGULATIONS**11. RIDER B****SECTION 1307(F) PURCHASED GAS COSTS**Provisions for Recovery of Purchased Gas Costs

Rates for each MCF (1,000 cubic feet) of gas supplied under Rate Schedules R, N, and GL of this Tariff shall include purchased gas costs, calculated in the manner set forth below, pursuant to Section 1307(f) of the Public Utility Code. Such rates for gas service shall be increased or decreased, from time to time, as provided by Section 1307(f) of the Public Utility Code and the PUC's regulations, to reflect changes in the level of recovery of purchased gas costs.

Computation of Purchased Gas Costs per MCF

Purchased gas costs shall be computed to the nearest one-hundredth cent (0.01¢) per MCF in accordance with the formula set forth below:

$$PGC = \frac{(C-E)}{(S)}$$

Projected purchased gas costs, so computed, shall be included in rates charged to Customers for gas service pursuant to the rate schedules identified above for consecutive twelve month periods. The amount of purchased gas costs per MCF will vary, if appropriate, based upon annual filings pursuant to Section 1307(f) of the Public Utility Code and such supplemental filings as may be required or be appropriate under Section 1307(f) or the PUC's Regulations adopted pursuant thereto.

In the event a Natural Gas Supplier discontinues service or defaults before its contract with the Customer expires, any costs incurred by the Company during the period between the Natural Gas Supplier's discontinuance of service or default and the first day of the Customer's next regular billing cycle which cannot be recovered from the Natural Gas Supplier shall be considered a Purchased Gas Cost.

Definitions

In computing purchased gas costs pursuant to the formula above, the following definitions shall apply:

"PGC" - Purchased Gas Cost determined to the nearest one-hundredth cent (0.01¢) per MCF to be included in rates for gas supplied under the rate schedules identified above.

"Purchased Gas" - The volume of gas purchased by the Company that is delivered to the Company's Customers, plus such portion of the Company's used and unaccounted-for gas, including, but not limited to, natural gas, synthetic gas, liquefied natural gas, and natural gas substitute, including liquefied propane and naphtha.

"C" - The current cost of gas ("C-Factor") determined as follows: (a) for all types of purchased gas, project the cost for each purchase (adjusted for net current gas stored) for the projected period when rates will be in effect plus (b) the arithmetical sum of (1) the projected book value of noncurrent gas at the beginning of the computation year minus (2) the projected book value of noncurrent gas at the end of the computation year.

RULES AND REGULATIONS

11. RIDER B - Continued

SECTION 1307(F) PURCHASED GAS COSTS

As applicable, to the extent such charges are not directly paid, Purchased Gas Costs shall include credits related to the use of PGC capacity by transportation customers where the Customer or NGS utilizes Company assigned or released pipeline capacity. In addition, revenues related to balancing services provided pursuant to Sections 22.2 and 22.4; Rate NNS; Rate MBS; capacity or commodity gas sales made pursuant to Customer elections under the Retail Standby Rider; Unauthorized Overrun; OFO, DFD and NGS penalty charges and bundled city gas sales made to NGSSs shall be credited to the PGC.

"E" - Experienced net overcollection or undercollection of purchased gas costs ("E-Factor"). Such net overcollection or undercollection statement shall begin with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates. Each over-under collection statement shall also provide for refund or recovery of amounts necessary to adjust for over or underrecoveries of E factor amounts under the previous 1307(f) rate.

Interest shall be computed monthly at the rate provided for in Section 1307(f)(5) of the Public Utility Code from the month that the over or undercollection occurs to the effective month such overcollection is refunded or such undercollection is recouped.

Additionally, supplier refunds will be included in the calculation of "E" with interest added at the annual rate of six percent (6%) calculated in accordance with the foregoing procedure, beginning with the month such refund is received by the Company.

Computation and Application of the E-Factor

The E-Factor shall be computed to the nearest one-hundredth cent (0.01¢) per Mcf in accordance with the formula set forth below:

$$\text{E-Factor} = (-E/S)$$

Each E-Factor so computed shall be applied to customer's bill for a one (1) year period during the Computation Year.

"S" - Projected MCF of gas to be billed to Customers during the projected period when rates will be in effect.

RULES AND REGULATIONS**11. RIDER B - Continued****SECTION 1307(F) PURCHASED GAS COSTS**

Revenue Sharing Incentive Mechanism: The PGC rate determined in this section may be adjusted to reflect the operation of a Revenue Sharing Incentive Mechanism as defined hereafter.

Off-system Sales: If and when the Company makes an off-system sale of natural gas, either in the Company's market area or upstream of the Company's market area with or without the use of PGC assets, the net revenues from the sale shall be shared by both the Company and the Company's retail customers served pursuant to this section of the tariff. The net revenues of the sale shall mean the total revenues from the sale of gas to a third party, less (1) the sum of the cost of natural gas, transportation commodity charges, and fuel retainage, if the sale or exchange is made upstream of the Company's market area or (2) the average city gate commodity cost of all gas purchased and flowing on the first of the month, including the natural gas, transportation commodity, and fuel, if such sale is made at the Company's city gate or in the Company's market area. The sharing of such net revenues shall be allocated in accordance with the Revenue Sharing Allocation procedure in this section.

Exchanges of Natural Gas: If and when the Company and a third party agree to make a location exchange of natural gas in which both parties receive like quantities of gas, with no adverse economic effect on the Company's Customers, any revenues received by the Company for performing this service shall be shared by the Company and the Company's retail Customers served pursuant to this section of the Tariff. Any revenues received from the exchange of natural gas, either upstream of the Company's city gate, or at the Company's city gate, shall be allocated in accordance with the Revenue Sharing Allocation procedure in this Section.

Capacity Release on Interstate Pipelines: Capacity release revenue generated by administrative releases to third parties that fill the Company's storage shall be credited 100% to PGC customers. Other revenue received by the company for off system Capacity Release of interstate pipeline capacity will be credited in accordance with the Revenue Sharing Allocation procedure in this Section.

Storage Asset Management: If and when the Company has a third party manage gas supply assets paid for by the PGC, any revenues received from the third party ("Asset Management Fees") shall be allocated in accordance with the Revenue Sharing Allocation procedure in this Section.

Revenue Sharing Allocation: Effective December 1, 2012, through November 30, 2021 the sum of the revenues derived from all Off-System Sales, Exchanges of Natural Gas, Capacity Release on interstate pipelines and Storage Asset Management, will be allocated 75% to the retail customers served and 25% to the Company.

RULES AND REGULATIONS

11. RIDER B - Continued

SECTION 1307(F) PURCHASED GAS COSTS

The amount retained by the Company will be an incentive to pursue additional sales and will be treated below the line for ratemaking purposes. For purposes of calculating this margin, the cost of gas will be equal to the monthly average commodity cost of gas plus variable transportation costs to deliver the gas to the off-system customer. The monthly average commodity cost of gas shall be defined as the monthly average commodity cost of gas purchases for all supplies scheduled at the beginning of the month; provided, however, that if an additional unscheduled purchase is made during the month specifically for an off-system sale, such purchase shall be considered to be the gas used to make the off-system sale and the commodity cost of such purchase will be assigned to off-system sales up to the volume of the purchase.

Filing with the PUC: Audit, Rectification

The Company's annual reconciliation statement shall be submitted to the Commission by May 1 of each year, or such other time as the PUC may prescribe.

Quarterly Adjustments

When making the December 1, March 1, June 1 and September 1 quarterly C-factor adjustments, the Company will refund or recover all actual and projected incremental over or under collections from December 1 through November 30 over either remaining PGC year sales volumes or annual PGC year sales volumes. Any quarterly PGC rate change on December 1, March 1 and June 1 will be capped at 25% of the then-current PGC rate, with any amounts above this cap being brought forward for inclusion in the calculation of subsequent quarterly C-factor adjustments. Any quarterly PGC rate change on September 1 will be capped at 15% of the then-current PGC rate, with any amounts above this cap being brought forward for inclusion in the calculation of subsequent quarterly C-factor adjustments.

Rider B - Purchased Gas Cost

Annual C-Factor	\$ 4.6369 /Mcf
Annual E-Factor	(\$ 0.2402) /Mcf
Purchased Gas Cost	\$ 4.3967 /Mcf

RULES AND REGULATIONS**12. RIDER C****EXTENDED TCJA TEMPORARY SURCHARGE****Prior to March 29, 2019:**

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, the Commission entered an Order superseding the March 15, 2018 Temporary Rates Order directing the utility to establish temporary rates as follows:

A negative surcharge of x.xx% will apply as a credit for intrastate service to all customer bills rendered on and after July 1, 2018. This negative surcharge will be distributed equally among the utility's various customer classes, exclusive of STAS and automatic adjustment clause revenues.

This negative surcharge will be reconciled at the end of each calendar year (or fiscal year if not on a calendar year basis) and will remain in place until the utility files and the Commission approves new base rates for the utility pursuant to Section 1308(d) that include the effects of the TCJA tax rate changes.

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

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

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

On and after March 29, 2019:

Effective March 29, 2019, the negative surcharge shall be extended ("Extended TCJA Temporary Surcharge") and recalculated only for the purposes of reflecting (a) a credit to customer bills representing the tax benefits of the TCJA for the period January 1, 2018 through June 30, 2018, plus applicable interest 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 TCJA benefit occurred to the mid-point of the refund period for these amounts and (b) within 30 days thereafter, a final reconciliation of any over or under collection of the negative surcharge existing for the period through March 29, 2019.

RULES AND REGULATIONS**12. RIDER C - Continued****EXTENDED TCJA TEMPORARY SURCHARGE**

The Extended TCJA Temporary Surcharge shall be a negative surcharge of -4.50% which will apply as a credit for intrastate service to all customer bills rendered on and after March 29, 2019. This negative surcharge will be distributed equally among the utility's various customer classes, exclusive of STAS and automatic adjustment clause revenues.

The Extended TCJA Temporary Surcharge shall expire March 28, 2020.

Following the expiration date of March 28, 2020, the Extended TCJA Temporary Surcharge shall be reconciled, with interest on the net over or under collection as of March 29, 2020 equivalent to one year (mid-point of return period to mid-point of reconciliation period) being applied 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.).

RULES AND REGULATIONS**13. RIDER D****MERCHANT FUNCTION CHARGE**Applicability and Purpose

This Rider shall be applied to rates for each MCF (1,000 cubic feet) of gas supplied under Rate Schedules R and N of this Tariff, and shall be reflected in the Price to Compare. The Rider is equal to the fixed percentage, established by the PUC in Company's last general base rate proceeding, of purchased gas costs which are expected to be uncollectible, and shall not be reconciled to reflect actual results. Rider D is intended to make Company's Price to Compare more comparable to the gas supply service prices offered of other Natural Gas Suppliers that presumably reflect anticipated uncollectible expenses.

Rider D Charge

Rider D charges shall be equal to 2.08% for Residential PGC Customers and 0.24% for Non-Residential PGC Customers of Rider B (Purchased Gas Costs).

The collection of the Rider D charges will be summarized by Rate Schedule sub-accounts in the Gas Operating Revenue FERC Account No. 480000 for Rate R and 481000 for Rates N. The associated costs are recorded in FERC Account Nos. 904001 and 904002.

RULES AND REGULATIONS**14. Rider E****GAS PROCUREMENT CHARGE**Applicability

This non-reconcilable Rider shall be applied to rates for each Mcf (1,000 cubic feet) of gas supplied under Rate Schedules R and N of this Tariff, and shall be reflected in the Price to Compare. Rider E shall be a volumetric charge as described below, and shall remain in effect until reviewed and updated in the Company's next base rate case.

Rider E, or Gas Procurement Charge ("GPC"), recovers costs associated with gas procurement that were unbundled from base rates. The GPC rate is calculated by dividing total unbundled gas procurement costs by the sales volumes for the 12 months ending September 30, 2018, for Rate R and N.

Rider E Charge

Rates: R and N: \$ 0.0660 per Mcf

RULES AND REGULATIONS

15. PRICE TO COMPARE

The Price to Compare ("PTC") is composed of the Annual C-Factor, Annual E-Factor, Gas Procurement Charge and Merchant Function Charge. The PTC rate will change whenever any components of the PTC change. The current PTC rate is detailed below:

Price to Compare - Rate Schedule R

Annual C-Factor	\$ 0.46369 / CCF
Annual E-Factor	(\$ 0.02402)/ CCF
Gas Procurement Charge	\$ 0.00660 / CCF
Merchant Function Charge	\$ 0.00915 / CCF
Total Rate Schedule R Price to Compare	<u>\$ 0.45542 / CCF</u>

Price to Compare - Rate Schedules N

Annual C-Factor	\$ 4.6369 / MCF
Annual E-Factor	(\$ 0.2402)/ MCF
Gas Procurement Charge	\$ 0.0660 / MCF
Merchant Function Charge	\$ 0.0106 / MCF
Total Rate Schedule N Price to Compare	<u>\$ 4.4733 / MCF</u>

RULES AND REGULATIONS

16. RIDER F

UNIVERSAL SERVICE PROGRAMAPPLICABILITY AND PURPOSE

This Rider shall be applicable to all residential customers except customers in the Company's Customer Assistance Program ("CAP"). This Rider has been established to recover costs related to the Company's Universal Service and Conservation Programs, excluding internal administrative costs.

RATE

In addition to the charges provided in this tariff, an amount shall be added to the otherwise applicable charge for each MCF of sales volumes or distribution volumes distributed by the Company to customers receiving service under Rate Schedules R and RT.

The USP rate: \$0.1743/Mcf

CALCULATION OF RATE

The Rider USP rate shall be calculated to recover costs for the following programs: Low Income Usage Reduction Program (LIURP); Customer Assistance Program (CAP); Hardship Funds; and any other replacement or Commission-mandated Universal Service Program or low-income program that is implemented during the period that the Rider is in effect.

LIURP costs will be calculated based on the projected number of Level 1 income homes to be weatherized. Hardship Fund costs will be calculated on the projected level of an allocated share of administrative funds incurred by the UGI Operation Share Energy Fund.

CAP costs will be calculated to include

- 1) the projected CAP credit
- 2) projected CAP customer application and administrative costs; and
- 3) projected CAP pre-program arrearage forgiveness.

CAP Credit shall be defined as the difference between the total calculated Rate R bill, excluding Rider USP and CAP customer GET Gas charges, and the CAP bill and an adjustment for unearned credit amounts based upon the current discounts at normalized annual volumes of the then-current CAP participants and the projected CAP Credit for projected customer additions to CAP during the period that the CAP Rider rate will be in effect at the average discount of current CAP participants at normalized annual volumes.

RULES AND REGULATIONS**16. RIDER F - Continued****UNIVERSAL SERVICE PROGRAM****QUARTERLY ADJUSTMENT**

Any time that the Company makes a change in base rates or PGC rate affecting residential customers, the Company shall recalculate the Rider USP rate pursuant to the calculation described above to reflect the Company's current data for the components used in the USP rate calculation. The Company shall file the updated rate with the PUC to be effective one (1) day after filing.

ANNUAL RECONCILIATION

On or before November 1 of each year, the Company shall file with the PUC data showing the reconciliation of actual revenues received under this Rider and actual recoverable costs incurred for the preceding twelve months ended September. The resulting over/undercollection (plus interest calculated at 6% annually) will be reflected in the CAP quarterly rate adjustment to be effective December 1. Actual recoverable costs shall reflect actual CAP costs, actual application costs, actual pre-program arrearage forgiveness, actual LIURP and actual Hardship Administrative costs. Actual recoverable CAP credit costs and pre-program arrearage forgiveness shall be based upon actual CAP credits granted and pre-program arrearage forgiveness granted less a 9.2% adjustment for amounts granted to participants in excess of 21,530. The 9.2% adjustment related to CAP credits and pre-program arrearage forgiveness will be based on the following:

For each reconciliation period, the average annual CAP credit per participant will be determined by dividing the total actual CAP credits granted during the reconciliation period by the average monthly number of participants receiving CAP credits during the reconciliation period. The average monthly number of participants receiving CAP credits exceeding 21,530 will be multiplied by the average annual CAP credit granted per participant and then multiplied by 0.0920 in order to determine the amount of the CAP Credits which will not be recovered through Rider USP.

For each reconciliation period, the average pre-program arrearage forgiveness per participant will be determined by dividing the total actual pre-program arrearage forgiven during the reconciliation period by the number of participants receiving pre-program arrearage forgiveness. The number of participants receiving pre-program arrearage forgiveness exceeding 21,530 will be multiplied by the average pre-program arrearage forgiveness per participant and then multiplied by 0.0920 in order to determine the amount of the pre-program arrearage forgiveness which will not be recovered through Rider USP.

RULES AND REGULATIONS

17. RIDER G

ENERGY EFFICIENCY AND CONSERVATION RIDER

Applicability and Purpose

The Energy Efficiency and Conservation Rider ("EEC Rider") shall recover costs related to the Company's Energy Efficiency and Conservation Plan ("EECP"). The EEC Rider shall be computed separately for each of the following four customer classes:

1. Residential customers served under Rate Schedules R/RT,
2. Non Residential customers served under Rate Schedules N/NT,
3. Non Residential customers served under Rate Schedule DS, and
4. Non Residential customers served under Rate Schedule LFD.

EEC Rider Rate:

Rate R/RT	\$0.1264/Mcf
Rate N/NT	\$0.0551/Mcf
Rate DS	\$0.0004/Mcf
Rate LFD	\$0.0007/Mcf

The EEC Rider shall be subject to the State Tax Adjustment Surcharge.

Calculation

The EEC Rider shall be determined as follows:

1. Costs to be recovered shall include Company incurred costs to implement its Commission approved EECP during each plan year (October 1st through September 30th) (Plan Year), including all costs incurred to develop and administer the Company's EECP.
2. The Residential EEC Rider shall be calculated in accordance with the formula below and shall be rounded to the fourth decimal:

$$\text{Residential EEC Rider} = (\text{Cr} / \text{Sr}) - (\text{Er} / \text{Sr}) \text{ where}$$

Cr = Projected Residential EECP Costs.

Sr = Projected Residential Class Sales.

Er = Net over or under collection of the Residential EEC Rider resulting from the difference between the EEC Rider revenues received and the EECP costs incurred.

RULES AND REGULATIONS**17. RIDER G - Continued****ENERGY EFFICIENCY AND CONSERVATION RIDER**

3. The Non Residential EEC Rider shall be calculated in accordance with the formula below and shall be rounded to the fourth decimal:

Non Residential EEC Rider = $(Cn / Sn) - (En / Sn)$ where

Cn = Projected Non Residential EECP Costs.

Sn = Projected Non Residential Class Sales.

En = Net over or under collection of the Non Residential EEC Rider resulting from the difference between the EEC Rider revenues received and the EECP costs incurred.

4. The Residential and Non Residential EEC Riders will be updated annually and will be filed with the Commission on one day's notice to be effective December 1 of each year. The Company reserves the right to make an interim reconciliation filing to adjust the EEC Riders.

5. Any over or under collection at the end of the plan period shall be recovered or refunded either through a subsequent EECP approved by the Commission or through continuation of the EEC Riders until full recovery or refunding has occurred.

RULES AND REGULATIONS

18. RIDER H

TECHNOLOGY AND ECONOMIC DEVELOPMENT RIDER

Availability. The Technology and Economic Development Rider("TED") is a negotiated rider available in the entire territory to Customers served by the Company which the Company determines, in its sole discretion, has prospective additional gas usage applicable to service under Tariff Rate Schedules N, NT, DS or LFD at the time of execution or renewal of a Service Agreement. The Rider TED is established for the purpose of adjusting the customer's overall distribution charge to address project specific or competitive issues to gain access to and expand use of natural gas within the Commonwealth of Pennsylvania. The negotiated Rider TED may be either a surcharge or credit depending on project specific customer and Company economic requirements, such that the overall economics must meet the requirements of Section 5.1 of this Tariff. Rider TED will be utilized to support the expansion of new technologies such as combined heat and power and natural gas vehicles, develop brownfields, and support economic development in Pennsylvania by facilitating business retention and attraction as well as other gas distribution system expansion activities.

General Terms. The Customer must execute a Rider TED service agreement.

MONTHLY RATE TABLE

Monthly Charge: _____ Negotiable

Plus

Charge per Mcf: _____ Negotiable

RULES AND REGULATIONS**19. Rider I****DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

In addition to the net charges provided for in this Tariff, a charge of 0.00% will apply.

19.A.1 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.

19.A.2 Eligible Property.

The DSIC-eligible property will consist of the following:

- Piping, Couplings, Valves, Excess Flow Valves, Risers - Distribution & Transmission. (374, 376, 365, 367)
- Measuring & Regulator Stations - Distribution & Transmission (375, 378, 379, 366, 369, 370)
- Gas Service Lines and Insulated and Non-Insulated Fittings (378, 380)
- Meters, Meter Bars, Meter Installations (381, 382)
- House Regulators & Installations (383, 384)
- Industrial & Farm Tap Measuring & Regulator Station Equipment (385, 386)
- Miscellaneous Equipment and Material- Distribution & Transmission (387, 371)
- Equipment - Electronic Systems & Software (391)
- Vehicles, Power Equipment, Tools, Shop & Garage Equipment (392, 394, 396)
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities.
- Gathering lines (332)
- Storage lines (353)
- Other related capitalized costs.

19.A.3 Computation of the DSIC. The DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update.

RULES AND REGULATIONS

19. Rider I - Continued

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Thus, changes in the DSIC rate will occur as follows:

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

19.A.4 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.
2. Pre-Tax Return: The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Utility'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 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 the Jurisdictional Utilities released by the Commission.

19.A.5 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 otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the projected revenue for distribution service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of STAS.

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

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

Where:

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

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

Dep = Depreciation expenses related to DSIC-eligible property.

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

RULES AND REGULATIONS**19. Rider I - Continued****DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

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

Revenues will be determined as one-fourth (1/4) of projected annual revenues as determined in accordance with 19.A.7.5.

19.A.6 Quarterly Updates. Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Audits, Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

19.A.7 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 Company may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs 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 Company is not permitted to accrue interest on under collections.
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 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 who are paying flexed or discounted rates and customers having negotiated contracts with the Company, if it is reasonably necessary to do so.

RULES AND REGULATIONS

19. Rider I - Continued

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

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 return used to calculate its fixed costs under the DSIC as described in the pre-tax return section. The Company shall file a tariff supplement implementing the reset to zero due to overearning on one-days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the Company 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 Company 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 Company 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 19.A.7.2. Once the Company determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the Company 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.

RULES AND REGULATIONS

20. Rider J

GAS DELIVERY ENHANCEMENT RIDER

Applicability and Purpose:

The Gas Delivery Enhancement Rider ("GDE") shall provide a mechanism to recover the portion of temporary mobile sources of gas supply and interstate pipeline demand charge enhancements (collectively "GDE Charges") that are incurred to achieve least-cost timely solutions to system reinforcement needs or for pipeline integrity management activities for customers taking service under Rate Schedules:(1) DS and (2) LFD. The allocation of GDE Charges to each of the foregoing Rate Classes will be established by the Company's annual Purchased Gas Cost Proceeding.

GDE Rider Rate:

Rate DS \$0.0058 per Mcf (all volumes)
Rate LFD \$0.0058 per Mcf (all volumes)

The GDE Rider shall be subject to the State Tax Adjustment Surcharge.

Calculation of Rate:

The GDE Rider shall be calculated in accordance with the formula below and shall be rounded to the fourth decimal:

$$\text{GDE Rider} = (F + De + Ca + EN) / (\text{Mcf})$$

F = Fixed costs for physical infrastructure required to provide mobile sources of gas supply

DE = Demand enhancement charges

Ca = A commodity adder equal to the difference between the indexed price of natural gas for the affected portion of the service territory and the contracted price of alternative fuel that is used in lieu of natural gas during the system reinforcement.

EN = Net over or under collection of the GDE Rider resulting from the difference between the GDE Rider revenues received and the GDE Rider costs incurred.

Mcf = 1,000 cubic feet of gas supplied under Rate Schedules DS and LFD.

Annual Reconciliation:

In accordance with cost determinations in the Company's annual Purchased Gas Cost filings, GDE Rider costs and revenues will be reconciled on an annual basis that coincides with the Company's Purchased Gas Cost year for the period December 1 through November 30 and will be filed with the Commission on one day's notice to be effective December 1 of each year. Any over or under collection at the end of the period above shall be recovered or refunded through continuation of the GDE Rider until full recovery or refund has occurred.

RULES AND REGULATIONS**21. GAS EMERGENCY PLANNING**

21.1 Company's Right To Reduce or Curtail Service. An emergency exists whenever the aggregate demand for firm service 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 1 Customers. In the event of a natural gas emergency, the Company shall have the right to impose a mandatory reduction or curtailment on any Customer's use of gas.

- (a) Prior to taking any action under section 21.2 to curtail Customer usage, provided sufficient time exists as determined by the Company in its sole judgement, the Company shall use reasonable efforts and methods to:
 - (1) interrupt all interruptible services, (2) issue Operational Flow Orders or Daily Flow Directives and, (3) call for voluntary usage reductions by any or all Customers.
- (b) In planning for natural gas emergency situations, the Company shall make reasonable efforts to make contractual or informal arrangements with Customers and others which would allow the Company to obtain supplies or implement usage reductions in an effort to avoid or mitigate any emergency action pursuant to subsections 21.2 or 21.3 requiring firm service reductions. In making such arrangements, the Company may enter into specific negotiated terms, conditions and rates with any Customer or entity where a clear benefit exists to the Company for the management or avoidance of an emergency. Related costs, if any, may be included as gas costs for recovery under Section 11 of this Tariff.

21.2 Priority-Based Curtailments. In the event of an emergency, where the Company has mandated priority-based curtailments, the available gas supplies to the Company shall be prorated, if practicable, among Customers and NGSSs according to the priorities set forth below, listed in descending order. Customers in a higher priority category shall not be curtailed until all Customers falling into a lower priority category have been curtailed to plant protection use levels, unless operational circumstances or physical limitations warrant a different result. Additionally, where only a partial restriction of a category is required, implementation shall be pro rata to the extent practical under the circumstances. Whenever possible, as determined by the Company in its sole discretion, allocation actions shall be limited to confined geographic or operational portions of the Company's system where the emergency exists.

- (a) Priority 1. Service for residential and firm critical commercial essential human needs use.
- (b) Priority 2. Firm service not included in Priority 1, which for purpose of curtailment shall be prioritized in the following subcategories:
 - (1) Firm small commercial and industrial service for plant protection under Rates N, NT, and DS.

RULES AND REGULATIONS**21. GAS EMERGENCY PLANNING - Continued**

(2) Firm large commercial and industrial service for plant protection under Rates LFD and XD.

(3) Firm commercial and industrial service under Rates NT, DS, LFD and XD, to the extent actual gas deliveries are being made to the Company's system on behalf of the Customer; all except for plant protection.

(4) Firm commercial and industrial service provided by Company gas purchase activities; all except for plant protection.

21.3 Mandatory Reductions. In the event of an emergency under subsection 21.1, the Company may require each commercial and industrial retail and transportation Customer that is not a Priority 1 Customer to reduce its consumption of gas. In requiring mandatory reductions, the gas supplies available to the Company may be allocated to Customers in accordance with the priorities of use specified in subsection 21.2.

- (1) 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.
- (2) The mandatory reduction shall be for a period specified by the Company and may be until further notice. The Company may change a Customer's authorized usage, upon notice, at any time during an emergency.
- (3) Mandatory reductions shall be for a maximum duration of five (5) consecutive business days, unless extended by PUC order.
- (4) Except as provided in 21.3(5), the minimum authorized usage may not be lower than the minimum usage of firm service necessary for plant protection use.
- (5) When all other service has been curtailed except for Priority 1 service and the Company continues to be unable to meet Priority 1 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.
- (6) Consistent with its responsibility to maintain system integrity at all times, the Company shall provide periodic status updates and restore service as soon as practicable to any gas-fired electric generation facility that is deemed critical to electric system reliability by the electrical system's control area operator.
- (7) Transportation Customers and NGSSs are required to deliver, or cause to be delivered, natural gas supplies to the Company's system during an emergency, regardless of any mandatory gas consumption reductions imposed by the Company on such transportation Customers or NGSSs' Customers. Such natural gas delivery may be required up to the Customer's or NGS's applicable DFR, MDQ, DDR or otherwise specified daily delivery quantity as determined by the Company in its discretion.

RULES AND REGULATIONS**21. GAS EMERGENCY PLANNING - Continued**

21.4 Notice of Restriction or Curtailment

- (a) Notice of any restriction or curtailment shall be made to affected Customers or NGSs via methods and mediums most reasonably expected to accomplish such notice; these may include, but are not limited to: telephone, facsimile, website, or electronic data exchange. If necessary, the Company will make notice through the media in order to communicate specific requests to large groups of Customer categories that are affected, including any relevant geographic limitations.
- (b) It is the Customer's or NGS's responsibility to provide the Company with appropriate contact information, and to keep such information updated, in order to assure timely and efficient notices can be provided.
- (c) The Company shall endeavor to provide the maximum notice time possible in the event of any notice of restriction or curtailment.
- (d) The Company shall provide specific restriction or curtailment notices stating gas usage reduction percentages, absolute usage allowances or other reduction actions. In addition, the Company shall specify compliance timelines and restriction or curtailment durations as appropriate for the circumstance.

21.5 Emergency Allocation. The Company reserves the sole right to authorize exemptions in cases of verified Customer emergency situations affecting health and welfare.

21.6 Definitions

- (a) Residential Use - Gas usage in a residential dwelling or unit for space heating, air conditioning, cooking, water heating, or other domestic purposes; all residential Customers served under Rates R, RT, and GL and apartments served under Rate N, NT, and GL, or subsequent rates classified by the Company as residential.
- (b) Firm Service - Natural gas service offered by the Company to Customers under Tariffs or contracts that anticipate no interruptions. Such schedules are Rate R, RT, GL, N, NT, DS, LFD, and XD or subsequent firm rate schedules.
- (c) Commercial Use - Gas usage by Customers engaged primarily in the sale of goods or services including consumption by office buildings, institutions and government agencies, and classified as commercial class for Company accounting purposes. Commercial Customers are served under Rates GL, N, NT, DS, LFD, XD, and IS or subsequent rates classified by the Company as commercial.

RULES AND REGULATIONS**21. GAS EMERGENCY PLANNING - Continued**

- (d) Essential Human Needs Use - Gas usage into any building where persons normally dwell, including residences, apartment houses, dormitories, hotels, hospitals and nursing homes.
- (e) 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 and classified as industrial for Company accounting purposes. Industrial Customers are served under Rates GL, N, NT, DS, LFD, XD, and IS, or subsequent rates classified by the Company as Industrial.
- (f) Plant Protection Use - Minimum usage of natural gas required to prevent physical harm to an industrial or commercial consumer's plant facilities or danger to plant personnel at the facility when the protection cannot be afforded through the use of an alternate fuel. Plant protection uses include usage necessary for the protection of the material in process as would otherwise be destroyed, but does not include deliveries required to maintain production.

21.7 Limitation of Liability.

In the event of any limitation of service or curtailment, the Company may restrict, curtail or discontinue service in accordance with this Section 21, or PUC order, without incurring any penalty or liability for any loss, injury or expense that may be sustained by the Customer except when the restriction or discontinuation of service is a result of the Company's willful or wanton misconduct.

21.8 Appropriation Liability.

- (a) The Company may appropriate natural gas and/or pipeline capacity pursuant to this Section 21, a PUC policy statement, directive or order, or an emergency order issued by the Governor of Pennsylvania.
- (b) The Company shall compensate the Customer or the Customer's NGS for the cost of appropriated gas supplies. The compensation, in the aggregate, shall equal but not exceed, the greater of:
- (1) the city gate cost of the appropriated natural gas including all transportation charges up to the Company's city gate; or,
 - (2) the reasonable cost actually paid by the Customer or the Customer's NGS for delivered substitute energy, as documented by the Customer or the Customer's NGS and presented as evidence to the Company. Such compensation may be a later delivery of in-kind gas service at the sole discretion of the affected Customer or NGS.

RULES AND REGULATIONS**21. GAS EMERGENCY PLANNING - Continued**

21.9 Discontinuance of Service.

The Company may discontinue service at its sole discretion, without notice, for the duration of an emergency, to any Customer that continues to take gas in violation of any rules, notice of limitation or curtailment provided for under this Section 21.

21.10 Penalties for Unauthorized Takes.

- (a) The Company may, in its sole discretion, issue penalties for any unauthorized taking of gas to any Customer failing to comply with any restriction or curtailment made under this Section 21.
- (b) The penalty for unauthorized takes associated with this section shall be equivalent to those for a Critical Day in Section 22.4 General Terms for Delivery Service For Rate Schedules DS, LFD, XD, and IS - Maximum Daily Excess Balancing Charge. Payment of penalties under this section shall be in addition to any liability for direct or indirect damages resulting from Customer's or Customer's NGS failure to comply.
- (c) The Customer shall be liable to the Company for any costs incurred in taking action to discontinue service in accordance with actions taken under subsection 21.9.

RULES AND REGULATIONS**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS**

22.1 Application of Rates

- (a) Applicable Rates: DS, LFD, XD and IS.
- (b) Notification of Delivery; Nomination Procedures. Customer shall notify the Company of any and all gas deliveries to the Company's system, including, but not limited to, the provision of nomination, revised nomination and scheduling information, in accordance with the Company's *Nomination Procedure*, as may be amended from time to time, and made available on the Company's Gas Management Website ("Nomination Procedure"). The quantity of gas received on behalf of the Customer shall be determined by allocation or other method by the Company if required in its sole discretion. It is the Customer's responsibility to arrange that any necessary billing information be provided to the Company and/or delivery gas source.
- (c) Nominating Agents. A Customer shall notify the Company of its designated nominating agent ("Agent") for purposes of nominating the volumes of natural gas to be delivered to the Company's system on the Customer's behalf in accordance with the Nomination Procedures. Customer shall notify Company, on a form designated by the Company in the Nomination Procedures, of the responsibilities of the Agent, and shall provide Company with the Agent's valid e-mail address and valid 24-hour contact information. Customer shall remain liable for all charges and penalties notwithstanding Customer's designation and use of an Agent in accordance with the provisions herein.
- (d) Penalties for Customer's Default. Customers failing to provide nomination, billing, scheduling, agent, supplier and/or other required information to the Company or pipeline(s) in accordance with the provisions of the Tariff, or otherwise failing to comply with the Company's *Nomination Procedure*, shall be subject to applicable imbalance charges and, in addition, be charged an Administrative Scheduling Fee in an amount no greater than \$1,000 per day for every day such required information is delayed. If a Customer default of these provisions occurs and is occurring for a period of 90 days, the Company may impose retail or standby rates on the Customer's account beginning the first day after such 90-day period through and until such time as the Company deems the Customer default to have been resolved.
- (e) Sequencing for Billing. Unless otherwise agreed by the Company and the Customer, customer-owned gas delivered under the transportation rate schedules shall be sequenced for billing as the first gas through the meter, and gas purchased under the Retail and Standby Rider shall be sequenced for billing purposes as the last gas through the meter. Gas billed under firm rate schedules shall be billed prior to gas billed under interruptible rate schedules. In lieu of otherwise specified tariff provisions, where the Company and Customer agree, Company shall use pipeline metering facilities for measuring and billing total deliveries to the Customer's facility.

RULES AND REGULATIONS**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS**
Continued

- (f) Payment of Charges, Penalties. The Customer shall pay the Company for any and all additional charges incurred on the Customer's behalf or resulting from the Customer's actions or inactions which the Company can demonstrate arise out of the provision of transportation service including, but not limited to, pipeline transportation and service charges. Any such charge, penalty or obligation imposed by a pipeline transporter or supplier as result of balancing of gas delivered to the Customer shall be paid by the Customer in addition to otherwise applicable charges.
- (g) The Billing Pool Agent is required to notify Company at least ten days prior to dropping a Customer from a Billing Pool. If adequate advance notice is not provided, the Company reserves the right to not drop the Customer from the Billing Pool.
- (h) Billing Pools. One or more transportation Customers may join together in pooled transactions for the purchase and delivery of gas. The Company may allocate among all such customers the volumes of gas or imbalances for purposes of determining responsibility for charges, rates, penalties or other obligations imposed by the Company, or in connection with operation of the pool. A Supplier to a Billing Pool must notify the Company prior to initiating gas deliveries. A Customer is required to submit in writing a request for entry into a Billing Pool.
- (1) Each Billing Pool shall appoint an Agent who will coordinate nomination, billing, reconciliation, allocation and any other necessary communication between the Billing Pool and the Company.
- (2) All members of a Billing Pool shall be of like balancing service election. The Company may restrict formation or operation of any Billing Pool in order to meet like balancing service election or pipeline imposed eligibility requirements.
- (3) Automated Meter Reading. The Company has the right as a condition of being a pool member, to install, at the Customer's expense, automated meter reading ("AMR") equipment for the purposes of daily collection or monitoring, and billing Customer volumes at each related service meter. Where AMR equipment is installed, the Customer shall maintain, at its expense, unless otherwise directed by the Company, a dedicated phone connection and electric service to the AMR equipment which will allow the Company unlimited remote access to the AMR device at all times. Failure to maintain a required phone and/or electric service may result in Customer being removed from a Billing Pool and being placed on a rate schedule not requiring daily measurement capability.
- (4) Service under Rate NNS is required by, and shall be individually billed to, any and all members of a Billing Pool except when all pool members are monitored on a daily basis through the use of Company owned AMR equipment at all meter locations. Additionally, service under Rate MBS is required by, and shall be individually billed to, any and all members of a Billing Pool when the billing month for each pool member does not end on the same calendar date; Billing Pools having all customers monitored and billed through the use of Company owned AMR equipment at all meter locations shall be exempt from this requirement.

RULES AND REGULATIONS

**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS
Continued**

- (i) Recognition of Supplies. Volumes transported on behalf of the Customer will be recognized in the Customer's current billing month based on nominated or scheduled volumes information and may be adjusted after notification is received from the pipeline supplier(s) of the volumes transported on behalf of the Customer. Volumes scheduled shall be determined on the basis of best available actual or confirmed pipeline and/or Company information at the time of billing.
- (j) Unless otherwise negotiated under Rate XD, the Company shall retain for Company use gas, and lost and unaccounted for gas, 1.0% of the total volume of gas delivered into its system for the Customer's account.

22.2 Balancing and No-Notice Service.

- (a) Each Customer shall use best efforts to balance purchases, deliveries and receipts of gas at all times. Except as specified in 22.1(f), for the purposes of balancing excess deliveries and shortfalls and purchasing services under Rates NNS and MBS, Billing Pools may be treated as a single entity. Subject to the terms and conditions set forth below, the Company shall provide no-notice and monthly balancing services under Rate Schedules NNS and MBS. Service under Rate Schedules NNS and MBS is available only for inadvertent fluctuations, limited by the terms and conditions of each Rate Schedule, and is not available to speculate as to fuel prices or otherwise to permit imbalances which reasonably could have been avoided. In the event the Customer fails to use best efforts to balance deliveries and receipts, or otherwise misuses no-notice or balancing services as determined by the Company in its sole discretion, Section 22.4 shall apply for the period of such default or misuse.
- (b) Daily Balancing. The Company shall allow Customer's daily demand to inadvertently vary from daily scheduled deliveries by +/-4.5% without imposing Daily Balancing Charges, provided the total daily quantity taken does not exceed Customer's Daily Firm Requirement, MDQ or otherwise specified contract demand limit. Daily imbalances in excess of the +/-4.5% tolerance, unless otherwise provided by service elected under Rate NNS, shall be assessed a Maximum Daily Excess Balancing Charge in accordance with Section 22.4 under Critical Day and Non-Critical Day criteria unless otherwise specified in Customer's contract, in addition to the charges specified in Rates DS, LFD, XD and IS, on all such quantities.
- (c) Imbalance Resolution. Customer's monthly imbalances will be calculated at the end of each billing period to determine if any overdelivery (excess) or underdelivery (shortfall) condition exists for volumes scheduled versus volumes metered. If the Customer is determined to be in an imbalance condition, and has not elected service under Rate MBS, then the Company shall sell and the Customer shall buy any shortfall amount according to the following cash-out pricing:

<u>Shortfall Percent</u>	<u>Cash-Out Price</u>
Up to 5%	Shortfall Monthly Index("SMI")
Greater than 5%, but not greater than 15%	SMI x 1.1
Greater than 15%, but not greater than 25%	SMI x 1.3
Greater than 25%	SMI x 1.5

RULES AND REGULATIONS

**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS
Continued**

Likewise, the Customer shall sell and the Company shall buy any excess amount according to the following cash-out pricing:

<u>Excess Percent</u>	<u>Cash-Out Price</u>
Up to 5%	Excess Monthly Index ("EMI")
Greater than 5%, but not greater than 15%	EMI x 0.9
Greater than 15%, but not greater than 25%	EMI x 0.7
Greater than 25%	EMI x 0.5

The SMI (Shortfall Monthly Index) shall be the average of the published *Gas Daily* Midpoint index prices corresponding to the Customer's Delivery Region during the Customer's billing month as listed below:

<u>Delivery Region</u>	<u>Index</u>
North	Tennessee, zone 4-300 leg PLUS the applicable transportation costs from Tennessee, zone 4 to zone 4.
Central	The higher of Transco, zone 6 non-N.Y. or Transco, Leidy Line receipts plus the applicable transportation costs from Transco zone 6 to zone 6.
Southeast	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

The EMI (Excess Monthly Index) shall be the average of the published *Gas Daily* Midpoint index prices corresponding to the Customer's Delivery Region during the Customer's billing month as listed below:

<u>Delivery Region</u>	<u>Index</u>
North	Tennessee, zone 4-300 leg
Central	The lower of Transco, zone 6 non-N.Y. or Transco, Leidy Line receipts plus the applicable transportation costs from Transco zone 6 to zone 6.
Southeast	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

RULES AND REGULATIONS

**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS
Continued**

Customer Delivery Region shall be assigned to each Customer in accordance with Customer's delivery location within the Company's distribution system.

The SMI and EMI are applicable to the above tables only for inadvertent monthly imbalances. The HMI (Highest Monthly Index) or the LMI (Lowest Monthly Index) as defined below shall apply respectively to shortfall and excess conditions in those situations where intentional imbalances are involved.

The HMI shall be calculated as the highest of the published *Gas Daily Absolute* index prices for the Customer's Delivery Region during the Customer's billing month as listed below:

<u>Delivery Region</u>	<u>Index</u>
North	Tennessee, zone 4-300 leg PLUS the applicable transportation costs from Tennessee, zone 4 to zone 4.
Central	The higher of Transco, zone 6 non-N.Y. or Transco, Leidy Line receipts plus the applicable transportation costs from Transco zone 6 to zone 6.
Southeast	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

The LMI shall be calculated as the lowest published *Gas Daily Absolute* prices for the Customer's Delivery Region during the Customer's billing month as listed below:

<u>Delivery Region</u>	<u>Index</u>
North	Tennessee, zone 4-300 leg PLUS the applicable transportation costs from Tennessee, zone 4 to zone 4.
Central	The lower of Transco, zone 6 non-N.Y. or Transco, Leidy Line receipts plus the applicable transportation costs from Transco zone 6 to zone 6.
Southeast	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	The lower of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

RULES AND REGULATIONS**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS**
Continued

- (d) The Company may extend the balancing period for gas volumes and may increase volumes eligible for balancing in its discretion, but only if it determines that such action is consistent with its obligations to other customers.
- (e) Supply Transfers. In order to facilitate Monthly balancing related to inadvertent imbalances in Company's sole discretion, the Company shall allow Supply Transfers among Customers and Billing Pools, Customers-to-Billing Pools and Billing Pools-to-Customers at a fee of \$125 per transaction, provided however: (1) such transfer is requested prior to the end of the billing month for both the transferee and the transferor, (2) such transfer is physically possible given pipeline interconnection and delivery point limitations which require transfers to be between parties located on the same segment of the Company's distribution system, and system supplies and reliability are not adversely affected.
- (f) Competitive Volume Customers. In the case of Customers or applicants seeking service for facilities with a design volume capability allowing for direct connection to transmission or gathering lines for bypass of Company facilities, Company shall have the right to establish daily and monthly balancing tolerances at levels other than those specified in subsections (b) and (c) of this Section 22.2 to reflect specific operational limitations or to protect the interests of other Customers, as determined by the Company in its sole discretion. Additionally, the Company may establish special nomination rules, imbalance resolution rules and communication protocols that reflect the Customer's or applicant's commercial alternatives, and which are consistent with its obligations to other Customers.

22.3 Service Agreement and General.

- (a) Limitation on Liability.
- (1) The Company shall not be liable for curtailment of service under Rates DS, LFD, XD and IS, or loss of the Customer's gas 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 transported and delivered by the Company to the Customer hereunder shall be and remain the property of the Customer. 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 hereunder, including loss of gas in the possession of the Company or any other cause, except gross or willful negligence of the Company's own employees or agents. The Company reserves the right to commingle gas of the Customer with other supplies.

RULES AND REGULATIONS**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS**
Continued

- (b) Warranty, indemnity and special provisions. The receipt of service constitutes Customer's agreement to the following representations and warranties, together with related provisions in the service agreement:
- (1) clear and marketable title to the Customer's gas;
 - (2) delivery points, pressure, quality and other specifications acceptable to gas transmission pipeline(s) and the Company;
 - (3) eligibility of the Customer for service;
 - (4) existence of lawful authority for sale, transportation and delivery;
 - (5) agreement to pay all excise, sales, use, gross receipts, or other taxes (other than income taxes), all tariff charges and all penalties, charges, fees for transportation, balancing etc., associated with delivered gas, which may be levied upon or incurred by the Company at any time;
 - (6) agreement to indemnify and hold the Company harmless from breach of representations or warranties, and any liability associated with Customer's gas while on the Company's system.

Copy of Gas Purchase Agreements, Other Documents. When requested by the Company, the Customer shall provide the Company with a copy of Customer's gas purchase contract and any related transportation, marketing and brokerage contracts, or, in lieu of providing such contracts, certify pertinent information as required by the Company, and, in order to meet state or federal requirements, provide a sworn affidavit setting forth the Customer's cost of gas for the period requested by the Company. The Company shall endeavor to protect the confidentiality of information provided by the customer in accordance with this provision. The Company will provide such information to third parties only when required to do so by law, regulation or order and in such case, will attempt to maintain confidentiality to the extent possible.

22.4 Maximum Daily Excess Balancing Charge

The Daily Excess Balancing Charge that occurs on Critical Days shall be as follows:

The charge for exceeding daily balancing limits shall be ten times the highest price as published in *Gas Daily* on the table "Daily Price Survey." For each delivery region as listed in the table below. This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into Pennsylvania.

RULES AND REGULATIONS

**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS
Continued**

<u>Delivery Region</u>	<u>Index</u>
North	Tennessee, zone 4- 300 leg plus the applicable transportation costs from Tennessee Zone 4 to Zone 4.
Central	The higher of 1) Transco, zone 6 non-N.Y. or 2) Transco, Leidy Line receipts plus the applicable transportation costs from Transco Zone 6 to Zone 6.
Southeast	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	The higher of Texas Eastern, M-3 or Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

The Daily Excess Balancing Charge that occurs on Non-Critical Days shall be as follows:

<u>Daily Imbalance Percent</u>	<u>Penalty</u>
Up to 15%	GDI
Greater than 15%, but not greater than 30%	GDI x 2
Greater than 30%, but not greater than 45%	GDI x 3
Greater than 45%, but not greater than 60%	GDI x 4
Greater than 60%	GDI x 5
Intentional imbalances	GDI x 5

The GDI (Gas Daily Index) shall be equal to the difference in price between the highest published *Gas Daily* index price and the lowest published *Gas Daily* index price for the Customer's Delivery Region as listed below but shall not be lower than \$0.25/Mcf.

<u>Delivery Region</u>	<u>Highest Index Price</u>	<u>Lowest Index Price</u>
North	Tennessee, zone 4- 300 leg plus the applicable transportation costs from Tennessee Zone 4 to Zone 4.	Tennessee, zone 4- 300 leg
Central	Transco zone 6, non-N.Y.	Transco, Leidy line receipts plus the applicable transportation costs from Transco zone 6 to zone 6.
Southeast	Texas Eastern, M3	Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
West	Texas Eastern, M3	Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.
Southwest	Texas Eastern, M3	Texas Eastern, M-2 receipts plus the applicable transportation costs from Texas Eastern M-2 to M-3.

RULES AND REGULATIONS**22. GENERAL TERMS FOR DELIVERY SERVICE FOR RATE SCHEDULES DS, LFD, XD, AND IS
Continued**

The Company shall not charge any Maximum Daily Excess Balancing Charges if the Customer's Excess Daily Imbalance is anticipated to benefit the distribution systems daily balancing position as determined by Company in its sole discretion.

22.5 Operational Flow Orders and Daily Flow Directives

The Company has the right to issue Operational Flow Orders and Daily Flow Directives at any time. Failure to comply with any OFO or DFD shall result in a penalty charge of Twenty-Five (\$25) per Mcf or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge, whichever is greater.

RULES AND REGULATIONS**23. GENERAL TERMS FOR INTERCONNECTION COORDINATION
SERVICES FOR CONNECTING ENTITIES**

Any entity with actual or potential sources of gas supply connected to Company facilities (Connecting Entity) shall be obligated to enter into an agreement with the Company (Coordination Agreement) addressing, to the extent applicable: (1) the duties and obligations of the parties with respect to their respective facilities, (2) measurement of deliveries of gas, (3) gas quality standards, (4) nomination requirements, (5) permitted variations in supply deliveries and imbalance resolution and (6) other operational issues raised by the nature of the supply source connection

RULES AND REGULATIONS**24. EXTENSION AND EXPANSION FUND**

Extension and Expansion Fund. In order to promote the extension and expansion of natural gas service to unserved and underserved areas within and near the Company's service territory, and to assist in achieving the numerous direct and indirect benefits related to energy cost savings, economic development, lower overall environmentally harmful emissions, greater energy utilization efficiencies and the continued development and utilization of Pennsylvania's natural gas resources, effective March 29, 2019, an Extension and Expansion Fund ("EEF") shall be created and maintained by the Company for the purpose of retaining and directing certain funding to support the expansion of natural gas into unserved and underserved areas within and near the Company's service territory.

EEF Funding.

The EEF shall be funded through the direction of 20% of total interruptible distribution revenues into the EEF on an annual basis. The Company shall establish and maintain a regulatory liability account in order to receive such funds and track all EEF activity on a separate basis.

EEF Utilization.GET Gas funding.

Funds from the EEF may be used by the Company in order to reduce the otherwise applicable GET Gas surcharge amounts applicable to GET Gas project participants. Specifically, EEF amounts equal to (1) the difference between the otherwise calculated cost-developed residential GET Gas surcharge required and a monthly residential surcharge of \$21.75 and (2) the difference between the otherwise calculated cost-developed commercial GET Gas surcharge required and a monthly commercial surcharge of \$7.86 and volumetric surcharge of \$1.07 per Mcf shall be withdrawn by the Company from the EEF to produce a net residential participant charge of \$21.75 per month and a net commercial participant charge of \$7.86 per month and \$1.07 per Mcf. GET Gas participants shall have this rate fixed for up to the entire duration of the 10-year GET Gas surcharge obligation and EEF amounts shall be accordingly reserved for this obligation.

Matching PIPE funding.

Where an extension or expansion project is awarded a grant in accordance with the Commonwealth of Pennsylvania's PIPE program, the Company will match the PIPE grant amount up to 100% with funds from the Extension and Expansion Fund, as may be required in order to meet tariff line extension criteria.

RULES AND REGULATIONS**25. INCENTIVE SHARING OF INTERRUPTIBLE REVENUES**

Incentive Sharing. Effective March 29, 2019, in order to incent the Company to maximize the benefits associated with interruptible distribution revenues for all customers, including benefits related to offsetting Company revenue requirement amounts for firm service rate classes and benefits associated with the Extension and Expansion Fund, the Company shall be permitted to retain 20% of total interruptible distribution revenues an annual basis.

These amounts shall be treated below the line for ratemaking purposes.

RATE R

GENERAL SERVICE - RESIDENTIAL

AVAILABILITY

This rate applies to all Residential Customers in the entire gas service territory of the Company and available at one location, for the total requirements of any residential Customer. Residential Customers are customers receiving the Company's gas service to a single-family dwelling or building, or through one meter to four or fewer units in a multi-family dwelling or premises used as a single family.

MONTHLY RATE TABLE

Customer Charge: \$19.00 per customer

Plus

Distribution Charge: \$0.37971/Ccf

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider B - Section 1307 (f) Purchased Gas Cost
- Rider C - Extended TCJA Temporary Surcharge
- Rider D - Merchant Function
- Rider E - Gas Procurement Charge
- Rider F - Universal Service Program
- Rider G - Energy Efficiency and Conservation
- Rider I - Distribution System Improvement Charge

MINIMUM CHARGE

Customer Charge as set forth above.

MINIMUM BILL PROVISION

If natural gas service is discontinued at the request of the Customer, the Company shall not be under any obligation to resume service to the same Customer at the same premise within twelve months unless it shall receive an amount equal to the minimum charge for each month up to a maximum of twelve months of the intervening period.

Customer at the same premise who requires seasonal service and has gas shut off and turned on within twelve-month period billed in an amount equal to the minimum charge under the applicable rate for each month service was shut off up to the 12 month intervening period.

PAYMENT

In accordance with Section 8.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RATE RT

GENERAL SERVICE - RESIDENTIAL TRANSPORTATION

AVAILABILITY

This Rate applies to all Residential Customers in the entire gas service territory who are served by a qualified Choice Supplier receiving service under Rate AG and available at one location, for the total requirements of any residential Customer. Residential Customers are customers receiving the Company's gas service to a single-family dwelling or building, or through one meter to four or fewer units in a multi-family dwelling or premises used as a single family.

MONTHLY RATE TABLE

Customer Charge: \$19.00 per customer

Plus

Distribution Charge: \$0.37971/Ccf

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider C - Extended TCJA Temporary Surcharge
- Rider F - Universal Service Program
- Rider G - Energy Efficiency and Conservation
- Rider I - Distribution System Improvement Charge

MINIMUM CHARGE

Customer Charge as set forth above.

MINIMUM BILL PROVISION

If natural gas service is discontinued at the request of the Customer, the Company shall not be under any obligation to resume service to the same Customer at the same premise within twelve months unless it shall receive an amount equal to the minimum charge for each month up to a maximum of twelve months of the intervening period.

Customer at the same premise who requires seasonal service and has gas shut off and turned on within twelve-month period billed in an amount equal to the minimum charge under the applicable rate for each month service was shut off up to the 12 month intervening period.

Rate RT - ContinuedGENERAL SERVICE - RESIDENTIAL TRANSPORTATIONPAYMENT

In accordance with Section 8.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RULES AND REGULATIONS

Where a Customer is returned to the Company or an alternate Supplier of Last Resort prior to the next regular meter reading date, due to the Licensed Choice Natural Gas Supplier's non-performance, Customer will receive service from Company or alternate Supplier of Last Resort for the remainder of the billing month at the contract rate between the Customer and Choice Supplier. Customer must provide evidence of the applicable contract rate, if requested by Company, to receive the contract rate price. As of the next regular meter read date, Customer will be transferred to Rate R, unless enrolled as a Rate RT customer by another Choice Supplier, effective as of the next regular meter read date.

GENERAL TERMS

Company Use and Unaccounted For gas shall be retained in accordance with Section 5, Operational Requirements, paragraph 5.1, Daily Delivery Requirements, of the Gas Choice Supplier Tariff.

RATE GLGENERAL SERVICE - GAS LIGHT SERVICEAVAILABILITY

This service is available for street, highway, driveway or other lighting or sign illumination, where measurement by meter of the gas consumed is not practicable or economical. As used herein, "light" means a single lamp or sign having one (1) gas-flow orifice and one (1) or more mantles, and of a type approved by the Company.

MONTHLY RATE TABLE

Distribution Charge: \$3.7971/Mcf

Plus

SURCHARGES and RIDERS

Rider A - State Tax Adjustment Surcharge
Rider B - Section 1307(f) Purchased Gas Cost
Rider C - Extended TCJA Temporary Surcharge
Rider I - Distribution System Improvement Charge

Monthly usage is assumed to be 1.8 Mcf, however, for larger consumption input fixtures, the Company reserves the right to modify

BILLS DUE

All bills for continuing service are due each month when rendered, and the final due date stated on the bill shall be no less than fifteen (15) days from the date of presentation. Upon discontinuance of service, bills are due and payable upon presentation.

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

SPECIAL TERMS AND CONDITIONS

Gas will be supplied to lights furnished, erected and maintained by the customer only when equipped with regulators and such devices as the Company considers necessary for turning lights on and off for maintenance and safety purposes.

RATE N

GENERAL SERVICE - NON-RESIDENTIAL

AVAILABILITY

This Rate applies in the entire territory served by the Company and is available to all Non-Residential Customers, using gas for any purpose including gas purchased by another public utility for resale. Service will be supplied only where the Company's facilities and the available quantity of gas are suitable to the service desired. Rate N service may not be applied to supplement or back up any transportation service.

MONTHLY RATE TABLE

Customer Charge: \$37.00 per customer

Plus

Distribution Charge: \$3.3523 per Mcf

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider B - Section 1307(f) Purchased Gas Cost
- Rider C - Extended TCJA Temporary Surcharge
- Rider D - Merchant Function Rider
- Rider E - Gas Procurement Charge
- Rider G - Energy Efficiency and Conservation
- Rider H - Technology and Economic Development
- Rider I - Distribution System Improvement Charge

MINIMUM CHARGE

The Customer Charge as set forth above.

MINIMUM BILL PROVISION

If natural gas service is discontinued at the request of the Customer, the Company shall not be under any obligation to resume service to the same Customer at the same premise within twelve months unless it shall receive an amount equal to the minimum charge for each month up to a maximum of twelve months of the intervening period.

Customer at the same premise who requires seasonal service and has gas shut off and turned on within twelve-month period billed in an amount equal to the minimum charge under the applicable rate for each month service was shut off up to the 12 month intervening period.

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RATE NTGENERAL SERVICE - NON-RESIDENTIAL TRANSPORTATIONAVAILABILITY

This Rate applies in the entire territory served by the Company and is available to all Customers who are served by a Choice Supplier receiving service under Rate AG, except residential Customers, using gas for any purpose. Service will be supplied only where the Company's facilities and the available quantity of gas are suitable to the service desired. Rate NT service may not be applied to supplement or back up any transportation or retail service.

MONTHLY RATE TABLE

Customer Charge: \$37.00 per customer

Plus

Distribution Charge: \$3.3523 per MCF

Plus

SURCHARGES and RIDERS

Rider A - State Tax Adjustment Surcharge
Rider C - Extended TCJA Temporary Surcharge
Rider G - Energy Efficiency and Conservation
Rider H - Technology and Economic Development
Rider I - Distribution System Improvement Charge

MINIMUM CHARGE

The Customer Charge as set forth above.

MINIMUM BILL PROVISION

If natural gas service is discontinued at the request of the Customer, the Company shall not be under any obligation to resume service to the same Customer at the same premise within twelve months unless it shall receive an amount equal to the minimum charge for each month up to a maximum of twelve months of the intervening period.

Customer at the same premise who requires seasonal service and has gas shut off and turned on within twelve-month period billed in an amount equal to the minimum charge under the applicable rate for each month service was shut off up to the 12-month intervening period.

RATE NT - ContinuedGENERAL SERVICE - NON-RESIDENTIAL TRANSPORTATIONPAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RULES AND REGULATIONS

Where a Customer is returned to the Company or an alternate Supplier of Last Resort prior to the next regular meter reading date, due to the Licensed Choice Natural Gas Supplier's non-performance, Customer will receive service from Company or alternate Supplier of Last Resort for the remainder of the billing month at the contract rate between the Customer and Choice Supplier. Customer must provide evidence of the applicable contract rate, if requested by Company, to receive the contract rate price. As of the next regular meter read date, Customer will be transferred to Rate N, unless enrolled as a Rate NT customer by another Choice Supplier, effective as of the next regular meter read date.

GENERAL TERMS

Company Use and Unaccounted For gas shall be retained in accordance with Section 5, Operational Requirements, paragraph 5.1, Daily Delivery Requirements, of the Gas Choice Supplier Tariff.

RATE GBM

GAS BEYOND THE MAINS (Piped Propane Service)

APPLICABILITY

This Page is applicable to customers receiving Piped Propane service in accordance with the Commission’s Final Order at Docket No. M-2008-2072850 entered on December 19, 2013.

AVAILABILITY

In accordance with the Commission’s Final Order at Docket No. M-2008-2072850 entered on December 19, 2013, Rate GBM is available to small commercial customers until UGI obtains authority from the Commission to abandon such service no later than December 31, 2020, who are served by piped propane systems in existence as of December 19, 2013 (“Existing Propane Systems”), or through reasonable extensions of such Existing Propane Systems made consistent with the line extension provisions of this tariff.

MONTHLY RATE TABLE

Customer Charge: \$16.00 per customer

Plus

Distribution Charge: \$3.6867 per Mcf

Plus

GBM Commodity Rate: \$26.8633 per Mcf

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider C - Extended TCJA Temporary Surcharge
- Rider D - Merchant Function Charge
- Rider G - Energy Efficiency and Conservation
- Rider I - Distribution System Improvement Charge

The GBM Commodity Rate (a) is designed to recover the full costs of propane acquired to provide GBM service without subsidies from non-GBM service customers, (b) shall be reconciled annually with the resulting over-under collection being recovered or refunded through an E-Factor applied over the next annual period, (c) shall be subject to quarterly PGC adjustments, effective on one day’s notice, effective March 1, June 1 and September 1. To the extent there is an over or under recovery of propane costs at the time Rate GBM service is ended, the balance shall be recovered or refunded from all Rate R and N customers by inclusion in the subsequent PGC Gas Cost Adjustment charge calculation.

RATE GBM - ContinuedGAS BEYOND THE MAINS (Piped Propane Service)

GBM customers may elect to receive natural gas commodity service from an alternate natural gas supplier but shall still be responsible for payment of the GBM Commodity rate less a credit equal to the current PGC rate to reflect the displacement impact of the alternate natural gas supplier's delivery of associated natural gas into the Company's distribution system. GBM customers leaving or returning to Rate GBM service shall pay or receive the GBM E-Factor Rate (the "GBM Migration Rider").

ADDITIONAL SERVICE PROVISIONS

1. The costs of converting a Customer's appliance to or from propane or natural gas service, unless otherwise agreed by Company, shall be paid by the customer.
2. The customer shall provide a suitable location for any required propane facilities as determined by UGI.
3. If propane service is requested by a developer for a planned or actual real estate development with multiple actual or potential service locations, the developer shall enter into an agreement with Company addressing the provision of suitable locations for required propane facilities, appliance conversion characteristics and responsibilities for use of propane distribution facilities.

RATE DS

DELIVERY SERVICE

AVAILABILITY

This service applies in the entire territory served by the Company. Firm Delivery Service shall be provided for all volumes supplied by the Customer for which the Company has available on system delivery capacity, subject to Section 21 - Gas Emergency Planning provisions of the Company's tariff, applicable rules and regulations of the PUC and any other governmental mandates.

The Customer must execute a Service Agreement for not less than (1) one year. The contract shall continue in force for consecutive (1) year periods unless cancelled by the Customer upon ninety (90) days written notice to Company prior to the expiration of a contract term.

Gas service in excess of volumes delivered by the Customer shall only be provided in accordance with applicable delivery service balancing provisions or in accordance with optionally elected and approved balancing or standby services.

Service under Rate DS is subject to the terms set forth under Section 22, General Terms for Delivery Service for Rate Schedules DS, LFD, XD, and IS.

MONTHLY RATE TABLE

The charge for each monthly billing period shall be the sum of the Customer Charge, the Capacity Charge if applicable, and the Distribution Charge as described below. The following are maximum rates.

Customer Charge: \$280.00

Plus

Capacity Charge: The Company's unitized weighted average cost of firm transportation capacity per elected MDQ.

Plus

Maximum Distribution Charge:
\$2.7473/MCF (all volumes)

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider C - Extended TCJA Temporary Surcharge
- Rider G - Energy Efficiency and Conservation
- Rider H - Technology and Economic Development
- Rider I - Distribution System Improvement Charge
- Rider J - Gas Delivery Enhancement Rider

RATE DS - Continued

DELIVERY SERVICE

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RETAINAGE RATE

Company Use and Unaccounted For gas shall be retained in accordance with Section 22, General Terms for Delivery Service for Rate Schedules DS, LFD, XD, AND IS, paragraph 22.1(j).

RATE NNSNO-NOTICE SERVICEAVAILABILITY

This Rate is available upon request to any Customer served on Rate DS, LFD, XD or IS who, after review and acceptance of such request by Company, has entered into a service agreement with Company for service under Rate NNS. The term of the service agreement shall be concurrent with that of the Customer's underlying Delivery Service Schedule.

Service under this Rate is available for inadvertent fluctuations only and is not available to speculate as to fuel prices or otherwise to permit imbalances which reasonably could have been avoided.

Service to large volume users, such as electric generation facilities, may be limited as determined by the Company. Service under Rate NNS is subject to the terms and conditions set forth under Section 22 General Terms for Delivery Service for Rate Schedules DS, LFD, XD, and IS.

TERMS AND CONDITIONS

Customers shall elect a specific level of no-notice service under this Rate. Such election shall be made through the specification of a No-Notice Allowance ("NNA"), in MCF per day, of an amount no less than 4.5% and no greater than 100% of Customer's Daily Firm Requirement, Maximum Daily Quantity or otherwise specified daily contract limit. The elected NNA shall be effective for a fixed period equal to the lesser of one year or the remaining balance of the Customer's service agreement or, a lesser time period mutually agreeable to both the Customer and the Company. In no instance shall a NNA be effective for a period of less than one month.

No-notice service shall be provided under this Rate whereby the Company shall forward or bank no-notice supplies to the Customer on a daily basis in such amounts necessary to balance the Customer's daily deliveries with the Customer's daily consumption. Forwarded amounts shall be limited in amount by the lesser of the sum of the Customer's daily nomination plus elected NNA or, the Customer's DFR, MDQ or otherwise specified contract limit except as allowed. Banked amounts shall be limited to an amount no greater than the Customer's NNA election.

Customer electing an NNA shall be billed for no-notice service according to that specific level of service.

Volumes in excess of the daily limits shall be subject to Daily Excess Imbalance Charges as set forth in Section 22.4 General Terms For Delivery Service for Rate Schedules DS, LFD, XD and IS on all such excess quantities, in addition to the charges specified in the Customer's Delivery Service Schedule.

RATE NNS - Continued**NO-NOTICE SERVICE****EXCESS REQUIREMENT OPTION**

The Excess Requirement Option is available on an interruptible basis to any delivery service Customer served under Rates XD, LFD. This Option shall extend the no-notice provisions of Rate NNS, on solely a best efforts basis, during periods where Customer's daily requirements exceed transportation contract service limits.

Customer must nominate a Daily Excess Requirement ("DER") under this Option in an amount no less than 5 Mcf per day and no greater than 25% of Customer's DFR or otherwise specified contract limit. On days where service under the Excess Requirement Option is required, Customer will have the right, subject to the terms and conditions set forth herein, to take gas in excess of Customer's DFR or otherwise specified contract limit provided such excess is no greater than the nominated DER amount.

Service taken in excess of the sum of Customer's DFR and DER on any day shall be considered Excess Take or Unauthorized Overrun as determined by Customer's Delivery Service Schedule and service agreement.

Unauthorized gas forwarded or returned to the Company by the Customer shall be considered imbalance gas and shall be subject to either the balancing provisions set forth under Section 22.2 of General Terms for Delivery Service for Rate Schedules DS, LFD, XD and IS or the Customer's otherwise applicable transportation balancing service.

MONTHLY RATE TABLE (Basic NNS Service)

\$0.0092 per Mcf

or, if applicable \$0.1840 per Mcf per day of elected NNA

plus

MONTHLY RATE TABLE (Excess Requirement Option)

\$4.50 per Mcf per day of elected DER.

RATE MBS

MONTHLY BALANCING SERVICE

AVAILABILITY

This Rate is available upon request to any Customer served on Rate DS, LFD, XD or IS who, after review and acceptance of such request by Company, has entered into a Service Agreement with Company for service under Rate MBS. The term of the Service Agreement shall be concurrent with that of the Customer's underlying Rate Schedule.

Service under Rate MBS is available for inadvertent fluctuations only, limited to an amount not to exceed 10% of the customer's total scheduled deliveries for the month, and is not available to speculate as to fuel prices or otherwise to permit imbalances which reasonably could have been avoided. Service under Rate MBS is subject to the terms set forth in Section 22 General Terms For Delivery Service for Rate Schedules DS, LFD, XD, and IS.

Rate MBS is available as a monthly banking service for Customer transportation deliveries. Service under Rate MBS allows Customer transportation imbalances (metered volumes less total scheduled nominations) which are within 10% of Customer's total scheduled nominations for the month to be carried forward in the Customer's MBS Account ("Balance Account") for redelivery of excesses or receipt of shortfalls in subsequent months.

TERMS AND CONDITIONS

Balance Account Operation. To the extent Customer's total deliveries exceed Customer's total consumption at the end of a Billing Month, the excess volumes shall be added to the Customer's Balance Account. To the extent Customer's total consumption exceeds Customer's total deliveries at the end of a Billing Month, the shortfall volumes shall be subtracted from the Customer's Balance Account.

Balance Account Limits. At no time, as calculated at the end of a Billing Month, shall a Customer exceed a Balance Account excess or shortfall balance greater than 10% of the Customer's total scheduled deliveries for the month, as determined by the Company in its sole discretion. Any such imbalance on the Customer's Balance Account shall result in an immediate zeroing of the Balance Account balance in accordance with the Cash-In/Cash-Out pricing set forth in Section 22.2.

The Company, in its sole discretion, may zero out the Customer's Balance Account at the end of any Billing Month by purchasing or selling such net imbalance volumes in the Customer's Balance Account at the prevailing month's Cash-In/Cash-Out pricing at set forth in Section 22.2, provided such zero out may occur only if necessitated by operational needs of the Company or as a result of a requirement of an applicable interstate pipeline.

MONTHLY RATE TABLE

Monthly Transportation Volume

Rate DS/IS	\$0.0141/Mcf x Monthly Billed Volumes
Rate LFD	\$0.0082/Mcf x Monthly Billed Volumes
Rate XD	\$0.0084/Mcf x Monthly Billed Volumes

RATE LFDLARGE FIRM DELIVERY SERVICEAVAILABILITY

This Rate applies in the entire territory served by the Company. It is available to any Customer who executes a Service Agreement with the Company for an on system Daily Firm Requirement (DFR), as agreed to by Customer and Company in said agreement, for not less than fifty (50) MCF of gas per day of firm service. Volumes delivered under this Rate shall be metered separately from service under any of the Company's other rates, except as provided for in Rates IS, NNS, and MBS. In lieu of separate metering, the Company may accept contractual commitments specifying minimum volumes of service under Rate LFD.

Service will be provided by the Company where the Customer provides suitable gas delivered to a Company authorized receipt point, as determined by the Company in its sole discretion, provided Company has available on-system and/or pipeline capacity available in such quantities to meet Customer requirements. The Company shall be under no obligation to maintain on-system facilities required for service beyond the term of an executed service agreement.

Unless otherwise agreed by the Customer and Company, the Customer must enter into a Service Agreement for a minimum term of two (2) years. The Service Agreement shall continue in force for consecutive two (2) year periods unless cancelled by Customer upon one (1) year written notice to the Company prior to the expiration of the then current Service Agreement term. The Customer shall remain liable for minimum bill requirements for the length of the Service Agreement under this Rate, including applicable penalties, in the event the Customer defaults on its Service Agreement before the end of its term.

Firm Delivery Service shall be provided for all volumes provided by the Customer for which the Company has available delivery capacity, subject to the curtailment provisions of the Company's Tariff, applicable rules and regulations of the PUC and any other governmental mandates.

Gas service in excess of volumes delivered by the Customer shall only be provided in accordance with applicable balancing provisions or in accordance with optionally elected and approved balancing or standby services.

The DFR shall be the Company's contracted maximum firm delivery obligation to the Customer on any day and shall be no less than fifty (50) MCF. Service in excess of the DFR is interruptible in accordance with the terms of Rate IS.

Service under Rate LFD is subject to the terms set forth under Section 22 - General Terms for Delivery Service for Rate Schedules DS, LFD, XD, and IS.

RATE LFD - Continued

LARGE FIRM DELIVERY SERVICE

MONTHLY RATE TABLE

The charge for each monthly billing period shall be the sum of the Customer Charge, the Demand Charge, the Distribution Charge and any Excess Take Charge as described below. The following are maximum rates.

Customer Charge: \$670.00

Plus

Maximum Demand Charge: \$5.0706/Mcf of Customer's elected DFR.

Plus

Maximum Distribution Charge: \$1.1295/Mcf (all volumes)

Plus

SURCHARGES and RIDERS

- Rider A - State Tax Adjustment Surcharge
- Rider C - Extended TCJA Temporary Surcharge
- Rider G - Energy Efficiency and Conservation
- Rider H - Technology and Economic Development
- Rider I - Distribution System Improvement Charge
- Rider J - Gas Delivery Enhancement Rider

RETAINAGE RATE

Company Use and Unaccounted For gas shall be retained in accordance with Section 22, General Terms for Delivery Service for Rate Schedules DS, LFD, XD, AND IS, paragraph 22.1(j).

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

EXCESS TAKE CHARGE

Except as provided in the Company's *Nomination Procedure*, for authorized usage on any day in excess of the Daily Firm Requirement there will be a charge of \$6.00 per MCF in addition to the charges specified in the rate table.

RATE LFD - ContinuedLARGE FIRM DELIVERY SERVICEMINIMUM BILL

Monthly: The Minimum Monthly Bill shall be the Customer Charge, Demand Charge and Charge for Other Transportation.

Annual: The Minimum Annual Bill shall be based on the Customer maintaining a 0.50 annual load factor and shall be due and payable with the bill for the 12th month in the contract year. The Customer's actual load factor shall be determined by dividing the total volume of gas taken during the contract year (including volumes taken under the Retail and Standby Rider, the Cash-Out provisions of Section 22.2) by the sum of the Daily Firm Requirements for the contract year. If the actual load factor is less than 0.50, then, in addition to payment for actual usage, the Customer shall pay a Minimum Annual Bill charge equal to the product of: (1) the difference between 0.50 and the actual load factor, (2) the sum of the Customer's Daily Firm Requirements for the contract year, and (3) the average delivery charge paid by the Customer over the previous 12-month period, as calculated by the Company. If the Customer's actual load factor is greater than or equal to 0.50, no Minimum Annual Bill charge will be required.

CHARGE FOR OTHER TRANSPORTATION

If the Customer chooses to use the Company as agent in regard to transportation service by others, any costs calculated by or billed to the Company, with regard to such agency, shall be billed to the customer by the Company and may include an applicable administrative fee as agreed by the Customer and Company.

CHARGE FOR UNAUTHORIZED OVERRUN

Whenever it is necessary to restrict gas supplied under this Rate, the Company will provide due notice of such restriction. If a Customer, after having received due notice of restriction, shall take gas in excess of the amount made available by such notice, then the Customer shall be billed for such excess gas at the rate of Twenty-Seven Dollars and Fifty Cents (\$27.50) per MCF, or the charge be calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge, whichever is greater, plus the charge specified in the monthly rate table. Customer shall indemnify Company from any claims by third parties resulting from Customer's unauthorized overrun.

SERVICE UNDER OTHER RATES

Volumes purchased under the Retail and Standby Rider or under the Cash-Out provisions of Section 22.2 or taken under Rate NNS shall be included for the purposes of determining Excess Take Charge and Unauthorized Overrun gas.

RATE XD**EXTENDED LARGE FIRM DELIVERY SERVICE****AVAILABILITY**

This Rate applies in the entire territory served by the Company on request of a Customer which the Company determines, in its sole discretion, has a prospective gas volume usage of at least 200,000 MCF per year at the time of execution or renewal of a Service Agreement.

Service will be provided by the Company where the Customer provides suitable gas delivered to a Company authorized receipt point, as determined by the Company in its sole discretion, provided Company has available on-system and/or pipeline capacity available in such quantities to meet Customer's requirements. The Company shall be under no obligation to maintain facilities required for service beyond the term of an executed Service Agreement.

Unless otherwise agreed to by the Customer and the Company, the Customer must enter into a service agreement for a minimum term of three (3) years. For a Customer requesting firm service, the Service Agreement shall specify an initial Daily Firm Requirement (DFR). The Customer shall remain liable for minimum bill requirements for the length of the Service Agreement under this Rate, including applicable penalties, in the event the Customer defaults on its Service Agreement before the end of its term.

For Customers requesting firm service, Delivery Service shall be provided for all volumes provided by the Customer for which the Company has available delivery up to DFR, subject to the Section 21 - Gas Emergency Planning provisions of the Company's tariff, applicable rules and regulations of the PUC and any other governmental mandates.

Service in excess of volumes delivered by the Customer shall only be provided in accordance with applicable balancing provisions or in accordance with optionally elected and approved balancing or standby services.

The DFR shall be the Company's contracted maximum firm delivery obligation to the Customer on any day. Service in excess of the DFR is interruptible and will be provided under terms and conditions identical to those set forth under Rate Schedule IS.

Service under Rate XD is subject to the terms set forth under Section 22 - General Terms for Delivery Service for Rate Schedules DS, LFD, XD, and IS.

RATE XD -ContinuedEXTENDED LARGE FIRM DELIVERY SERVICEMONTHLY RATE TABLE

The charge for each monthly billing period shall be negotiable and shall be the sum of the Customer Charge, Distribution Charge, Demand Charge if applicable, and the Minimum Annual Bill as described below.

The following are maximum rates.

Customer Charge: Charge as determined by negotiation.

Plus

Maximum Demand Charge: Charge as determined by negotiation.

Plus

Maximum Average Delivery Charge: \$1.1295/Mcf

Plus

SURCHARGES and RIDERS

Rider C - Extended TCJA Temporary Surcharge

Rider I - Distribution System Improvement Charge

RETAINAGE RATE

Unless otherwise agreed between the Customer and the Company, Company Use and Unaccounted For gas shall be retained in accordance with Section 22, General Terms for Delivery Service for Rate Schedules DS, LFD, XD, and IS, paragraph 22.1(j)

MINIMUM BILL

Minimum Bill Volumes and terms shall be defined in the Service Agreement and determined by negotiation.

CHARGE FOR OTHER TRANSPORTATION

If the Customer chooses to use the Company as agent in regard to transportation service by others, any costs calculated by or billed to the Company, with regard to such agency, shall be billed to the Customer by the Company and may include an applicable administrative fee as agreed by the Customer and Company.

RATE XD - Continued**EXTENDED LARGE FIRM DELIVERY SERVICE****CHARGE FOR UNAUTHORIZED OVERRUN**

Whenever it is necessary to restrict gas supplied under this Rate, the Company will provide due notice of such restrictions. If a Customer, after having received due notice of a restriction, shall take gas in excess of the amount made available by such notice, then the Customer shall be billed for such excess gas at the rate of Twenty-Seven Dollars and Fifty Cents (\$27.50) per MCF, or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing, whichever is greater, plus the charge specified in the monthly rate table. Customer shall indemnify Company from any claims by third parties resulting from Customer's unauthorized overrun.

Volumes purchased under the Retail and Standby Rider or under the Cash-Out provisions of Section 22.2 or taken under Rate NNS shall be included for the purpose of determining Unauthorized Overrun gas.

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RATE R/SRETAIL AND STANDBY RIDERAVAILABILITY

Retail and Standby services are available under the Retail and Standby Rider to any Customer receiving service under Rate Schedules DS, LFD, XD and IS. Service shall be supplied only where the Company's facilities are suitable and available for the service desired. Service is subject to curtailment under Tariff Rule No. 21, Emergency Gas Planning.

Retail and Standby services under this schedule may be provided on a firm and/or interruptible basis. Subject to the Company's sole discretion, services shall be provided only if, and to the extent, sufficient Company and/or Customer provided capacity exists for the transportation of available gas supplies. Unless otherwise agreed by the Company and Customer, the Customer must enter into a service agreement for a minimum term of one (1) year with monthly payments for service taken.

The Company may provide capacity, supply or a bundled service, retail or standby, to the Customer under this rate schedule as per one or more of the following:
For Customers having upstream capacity rights: Company shall provide, or stand ready to provide, gas supplies to the Customer in such amounts and at such delivery or receipt points as necessary to meet Customers' contract requirements, as specified on a daily, monthly, seasonal or annual basis.

For Customers providing, selling or forwarding gas supplies to the Company for redelivery to Customer: Company shall provide, or stand ready to provide, pipeline and/or system capacity to deliver such gas supplies to the Customer.

For Customers requiring bundled sales service: Company shall provide, or stand ready to provide, the necessary pipeline and/or system capacity, and gas supplies necessary to provide gas service to the Customer at the Customers' metered location.

Where applicable, Customer must nominate standby service requirements by specifying a Nominated Standby Requirement (NSR) in MCF and a Daily Standby Requirement (DSR) in MCF per day of amounts equal to the Customer's total and daily standby supply requirements. Unless otherwise agreed by the Company and Customer, the firm or interruptible DSR shall be equal to the NSR divided by the number of days in the standby period.

Customers served under firm Rate Schedules DS, LFD, XD and IS may take firm retail and/or standby service under this rate schedule in any amount up to their available Daily Firm Requirement (DFR) or otherwise specified contract limit. All other terms and conditions of service as specified in Customer's Rate Schedules DS, LFD and XD and/or contract shall continue to apply.

Capacity and/or supply utilization under this rate schedule shall be on an as available basis for customers requesting retail and/or standby services. Subject to the Company's sole discretion, other incrementally obtained capacity and/or supply shall be assigned according to a Customer request queue or otherwise specified auction procedure. When necessary, such request queue or auction procedure shall be established in accordance with the terms outlined in the Company's *Nomination Procedure*.

The Company, upon notice to the Customer, may specify minimum levels of retail and/or standby nominations required for service under this rate schedule.

RATE R/S - ContinuedRETAIL AND STANDBY RIDER

Service under Rate R/S is subject to the terms set forth in Section 22.2.

MONTHLY RATE TABLE

The charge for each Billing Month shall be the sum of the Customer Charge

Plus

The Capacity/Reservation Charge corresponding to the Customer's service election,

Plus

The Commodity Charge as shown below,

Plus

Administrative Service Fee: \$75 per month.

Capacity/Reservation Charge:

Firm Retail Option: The applicable market price for available upstream capacity, plus the applicable charge for available system capacity, less any capacity charges paid under the Customer's applicable Rate Schedule, but in no case less than zero.

Firm Standby Option: The applicable Firm Standby Reservation Charge per MCF of DSR and/or per MCF of NSR.

- a) The Firm Standby Reservation Charge shall be equal to the sum of the monthly contract demand rates charge by the Company's interstate pipeline suppliers divided by the sum of the daily contract demands.
- b) The Firm Standby Reservation Charge shall be subject to increase or decrease whenever any of the Company's interstate pipeline suppliers make changes in their contract demand rates. Any change in the Standby Rate shall become effective on the first day of the month following the date on which the change in pipeline contract demand rate becomes effective.
- c) The Firm Standby Reservation Charge revenues will be credited to the PGC.

Interruptible Standby Option: The applicable interruptible standby reservation charge per MCF of DSR and/or per MCF of NSR.

Plus

Commodity Charge: The distribution charge applicable under the Customer's Rate Schedule plus the applicable commodity cost, which shall be the identifiable additional cost of supply necessary to serve the Customer's usage, plus any applicable reservation cost of supply.

RATE R/S - Continued

RETAIL AND STANDBY RIDER

The minimum monthly bill under this rate schedule shall be the sum of the Customer and Capacity/Reservation Charges plus any commodity reservation costs per MCF of NSR.

SURCHARGES

Rider C - Extended TCJA Temporary Surcharge
Rider I - Distribution System Improvement Charge

Any charges or penalties imposed by pipeline suppliers as a result of usage under this rider shall, at the Company's sole discretion, be allocated to Customers according to each Customer's contractual obligation or be assigned to the Customer responsible for the incurrence of the charges or penalties.

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

RATE IS**INTERRUPTIBLE SERVICE****AVAILABILITY**

This Rate applies in the entire territory served by the Company. It is available to any commercial or industrial Customer using gas for any purpose when Customer has executed a Service Agreement with a term of at least one (1) year for use of gas under the terms of this Tariff.

Service under this Rate shall only be provided when, in the Company's sole discretion, sufficient system capacity is available.

Unless otherwise agreed by both Customer and Company, service under Rate IS is available only to Customer loads with documented installed capability to consume an alternate fuel, and the Customer must enter into a Service Agreement for a minimum term of one (1) year with monthly payments for service taken. The Customer shall remain liable for minimum bill requirements for the length of the Service Agreement under this Rate, including applicable penalties, in the event the Customer defaults on its Service Agreement before the end of its term.

The Customer and Company agree that a Manual Interruptible (MI) Customer must demonstrate that they have the capability of consuming at least 5,000 MCF of gas during April through October ("Off Peak Period". For all Automatic Temperature Control ("ATC") Customers, the Customer shall install and operate equipment to transfer the fuel source of its interruptible equipment from natural gas to an alternate fuel at a predetermined temperature setting as determined annually by the Company.

The Company shall verify, prior to commencement of service for new Customers that the customer load being served qualifies under these provisions. The Company shall be permitted to inspect the facilities and piping at the premises of the Customer from time to time to confirm that the load being served so qualifies. The Company, at its discretion, may require such separate metering and piping and elimination of any cross-connection to non-qualifying end use equipment as may be necessary to enforce these provisions and to ensure the interruption of service hereunder during periods of restricted service. It is the Customer's responsibility to ensure qualifying alternate fuel capability is maintained in good working order as Company shall maintain no obligation for service during periods of interruption. If the Customer fails to meet any of the applicable conditions listed below, as determined by the Company in its sole discretion, the Company may discontinue service or transfer the Customer to the otherwise applicable firm or standby rate schedule, provided sufficient on-system capacity is available:

- 1) ability to maintain qualified alternate fuel facilities
- 2) 24-hour notification capability
- 3) maintain operable ATC equipment

Service will be provided by the Company where the Customer provides suitable gas delivered to a Company authorized contract receipt point, as determined by the Company in its sole discretion and only when in the opinion of the Company there are sufficient facilities and gas supply. The Company maintains sole discretion to determine the appropriate allocation of gas to Customers.

RATE IS - ContinuedINTERRUPTIBLE SERVICE

Gas service in excess of volumes delivered by the Customer shall be provided only in accordance with applicable balancing provisions or in accordance with optionally elected and approved balancing or standby services.

INTERRUPTION NOTIFICATION

MI Customers agree to maintain a twenty-four hour capability to receive notification of interruptions by the Company. When notified by the Company, the MI customer must discontinue use of natural gas for the Rate IS account until notification of Company to resume use of natural gas under Rate IS. Except in an emergency circumstance, the Company will provide reasonable notice of any interruption at least two hours prior, or upon written request of the Customer, if agreed by Company, of up to six hours.

ATC Customers agree to maintain equipment required to automatically switch fuels from natural gas to Customer's alternate fuel and from alternate fuel back to natural gas based on outside temperatures, as determined solely by the Company and noticed annually to the Customer. The ATC equipment shall meet specifications as provided by the Company and shall be in working order at all times from November through March of each year.

The Company reserves the right to periodically verify MI and ATC Customer's alternate fuel as well as to verify the proper operation of ATC equipment.

MONTHLY RATE TABLE

Customer Charge: Charge as negotiated between the Customer and the Company.

Plus,

Distribution Charge:

Charge as negotiated between the Customer and Company based upon the alternate fuels that the Customer has the economic capability of consuming, inclusive of related business factors.

MINIMUM ANNUAL BILL

For ATC Customers: Shall be as negotiated by the Customer and Company, but shall be no less than the product of five hundred (500) MCF times the distribution rate in effect on the first day of the Service Agreement or subsequent anniversary date if renewed Service Agreement.

For MI Customers: Shall be as negotiated by the Customer and Company, but shall be no less than five thousand (5,000) MCF of natural gas in Off Peak Period times the distribution rate in effect on the first day of the Service Agreement or subsequent anniversary date if renewed Service Agreement.

RATE IS - Continued**INTERRUPTIBLE SERVICE**

Unless the Company otherwise agrees, the Minimum Annual Bill shall be calculated at the end of any Service Agreement period, anniversary, or termination of service in accordance with terms of the Service Agreement. Volumes of natural gas taken under Standby Service during the Service Agreement period shall be credited to the Minimum Annual Bill volumes.

SURCHARGES and RIDERS

Rider C - Extended TCJA Temporary Surcharge
Rider I - Distribution System Improvement Charge

PAYMENT

In accordance with Section 8 of this Tariff.

LATE PAYMENT CHARGE

Late Payment Charges shall be billed in accordance with Section 8, Billing and Payment, paragraph 8.7.

CHARGE FOR UNAUTHORIZED OVERRUN

Whenever it is necessary to restrict gas supplied under this Rate, the Company will provide due notice of such restriction. If a Customer, after having received due notice of restriction, shall take gas in excess of the amount made available by such notice, then Customer shall be billed for such excess gas at the rate of Fifty Dollars (\$50.00) per MCF, or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge, whichever is greater, plus the charge specified in the monthly rate table. Customer shall indemnify Company from any claims by third parties resulting from Customer's unauthorized overrun.

Gas delivered under the Rate IS or purchased under the Cash-Out provisions of Section 22.2 or the Retail and Standby Rider or taken under Rate NNS shall be included in the determination of Unauthorized Overrun gas.

RETAINAGE RATE

Company Use and Unaccounted For gas shall be retained in accordance with Section 22, General Terms for Delivery Service for Rate Schedules DS, LFD, XD, AND IS, paragraph 22.1(j).

UGI UTILITIES, INC. - GAS DIVISION

GAS CHOICE SUPPLIER TARIFF NO. 7S

Rates and Rules
Governing the
Furnishing of
Gas Aggregation Service

Issued: January 28, 2019

Effective for service rendered on and
after March 29, 2019.

Issued By:

Paul J. Szykman
Chief Regulatory Officer
1 UGI Drive
Denver, PA 17517

<http://www.ugi.com/tariffs>

RULES AND REGULATIONS**1. THE CHOICE SUPPLIER TARIFF**

- 1.1 Filing and Inspection. A copy of this Choice Supplier Tariff (Sections 1 - 11) (hereinafter "Supplier Tariff"), which includes the Charges and Rules and Regulations under which the Company will supply Aggregation Service to Company approved Natural Gas Suppliers (Choice Suppliers) serving customers under Rate Schedules RT and NT, is on file with the Pennsylvania Public Utility Commission and is available on the Company's website <http://www.ugi.com>.
- 1.2 Application. The provisions of the Supplier Tariff apply to all Choice Suppliers serving customers under Rate Schedules RT and NT.
- 1.3 Statement by Agents. No representative has authority to modify a Supplier Tariff rule or provision, or to bind the Company by any contrary promise or representation.
- 1.4 Rules and Regulations. The Rules and Regulations, as part of this Supplier Tariff, are a part of every Aggregation Agreement entered into by the Company pursuant to this Supplier.
- 1.5 Purpose of Tariff. This Supplier Tariff sets forth the basic requirements for interactions and coordination between the Company in its role as a Natural Gas Distribution Company (NGDC) and Choice Suppliers, and includes rules necessary for maintaining the delivery of gas to customers served under Rate Schedules RT and NT.

RULES AND REGULATIONS**2. CHOICE SUPPLIER QUALIFICATION**

- 2.1 Service under this Tariff is contingent upon the Choice Supplier completing the Company's Choice Supplier Application Form to Serve Choice Customers (Application) and Company's approval of such Application. Choice Supplier shall include with its returned Application, payment of a non-refundable Enrollment Fee of five hundred dollars (\$500). In the event the Choice Supplier submits an incomplete application, the Company shall provide written notice to the Choice Supplier of the Application's deficiencies. An incomplete Application will not be processed by the Company until it is fully completed by the Choice Supplier and received by the Company. Failure to submit a fully completed Application within thirty (30) calendar days following notice that the Application was incomplete will result in a rejection of the Application.
- 2.2 Choice Supplier must meet all pipeline credit standards and prove it is qualified by the pipeline to receive an assignment, release or transfer of pipeline capacity.
- 2.3 Processing of Application. The Company shall promptly process each Application and notify the Choice Supplier of the results of Company's review of such Application. If the Company rejects an application, the Company will provide a reason.
- 2.4 Approval of Application. Upon approval of Choice Supplier's Application, Company shall execute the duplicate originals of the Aggregation Agreement tendered by the Choice Supplier and return one copy to the Choice Supplier.
- 2.5 Supplemental Evaluations. Company may require additional periodic credit evaluations to ensure ongoing financial fitness as set forth in Section 8 of this Tariff. The Choice Supplier will be assessed a \$250 fee for all credit evaluations performed by Company. The evaluation will be based on standard credit factors such as previous Choice Supplier's customer service record, Dun & Bradstreet or similar financial and credit ratings, trade references, bank information, unused line of credit, and financial information. Company shall have sole discretion to determine creditworthiness based on the above criteria, but will not deny creditworthiness without reasonable cause.
- 2.6 A qualified Choice Supplier may opt to participate in the Purchase of Receivables ("POR") program offered by the Company by entering into a Purchase of Receivables Agreement. Upon approval of a Purchase of Receivables Agreement, the Company shall execute the duplicate originals of the Purchase of Receivables Agreement tendered by the Choice Supplier and return one copy to the Choice Supplier. A copy of the POR Agreement may be found on the Company's Energy Management website.

RULES AND REGULATIONS

3. CUSTOMER LIST

- 3.1 Customer Choice List. Company will maintain a list of Rate R, RT, N, and NT customers that have authorized the release of their information in a secure portion of a Web Site accessible to Choice suppliers in compliance with the requirements of Rule 3.2. When authorized by the customer, this list shall also include account number, address, rate code and / or historical usage.
- 3.2 Customer List Confidentiality. Such list shall only be accessible by Choice Suppliers that have executed a Confidentiality Agreement and are otherwise qualified to serve Rate RT and NT customers under this Tariff.

RULES AND REGULATIONS**4. CHOICE SUPPLIER OBLIGATIONS**

- 4.1 Unless otherwise authorized by Company, Choice Suppliers must comply with the provisions of Section 7 of the Choice Supplier Tariff.
- 4.2 A Choice Supplier must provide and maintain a bond or other financial guarantee in a form and amount as set forth in Section 8 that is acceptable to Company and/or other PUC-approved Supplier of Last Resort.
- 4.3 A Choice Supplier must acquire or agree to acquire an adequate supply of natural gas to serve Choice Supplier's Aggregation Pool and make or cause to be made arrangements by which such gas supplies can be transported to Company's city gates, as directed by Company. Such supplies must be ranked on the transporting pipeline at the pipeline's highest Predetermined Allocation ranking.
- 4.4 A Choice Supplier must enter into an Aggregation Agreement to serve Choice customers under Rate Schedules RT and NT.
- 4.5 A Choice Supplier must comply with Company system reliability requirements, including Daily Flow Directives (DFDs), Operational Flow Orders (OFOs), and notice requirements.
- 4.6 A Choice Supplier must comply with applicable communications standards, including approved internet based Electronic Data Interchange (EDI) procedures.
- 4.7 A Choice Supplier must cooperate with Company in the preparation of an annual reliability plan presented to the PUC.
- 4.8 A Choice Supplier must acquire and maintain a PUC license.
- 4.9 A Choice Supplier (including their nominating agents, if applicable) who nominates gas for delivery to the Company's system must have and maintain Internet access. The Choice Supplier shall also provide Company with a valid email address and 24-hour contact information.
- 4.10 The Company's provision of Aggregation Service is contingent upon the Choice Supplier paying all amounts billed to it by the Company in a timely manner.
- 4.11 Failure to comply with all Choice Supplier Obligations will result in the Company disqualifying the Choice Supplier from serving customers under Rate Schedules RT and NT. In the event the Company disqualifies a Choice Supplier, the Choice Supplier may appeal the disqualification to the PUC. If the PUC does not reverse the disqualification within 45 days, the Choice Supplier will be disqualified at the end of the 45-day period and its customers will be returned to sales service or switched to another Choice Supplier. Any Company disqualification will be on a non-discriminatory basis.

RULES AND REGULATIONS

4. CHOICE SUPPLIER OBLIGATIONS

4.12 If a Choice Supplier elects to participate in the Company's POR Program, the Choice Supplier must enter into a POR Agreement for the rate classes that it serves that will be included in the POR. The elected Rate Classes shall be one of the following: (1) RT only, (2) NT only, or (3) RT and NT. All receivables associated with basic natural gas supply services in the specific rate class, subject to the rate class elections made above, must be sold by the participating Supplier to the Utility. For the purposes of this provision, the phrase "basic natural gas supply services" shall include charges directly related to the physical delivery of natural gas to a retail customer but shall not include charges for "carbon-neutral" products, appliance maintenance service, energy efficiency services, termination or cancellation fees, security deposits or other products or services not directly related to the physical delivery of natural gas to a retail customers. Customer accounts that are billed for non-basic natural gas supply services will not be eligible for UGI's POR program. All of the NGS' customer accounts within the elected Rate Classes (subject to the volumetric limits contained in section 5.4) must be POR eligible accounts, with the exception of customers that purchase carbon-neutral products. NGSs may choose to use UGI consolidated billing for Non-POR eligible customers who are purchasing bundled "carbon-neutral" product offerings. The termination and reconnection provisions of Chapters 14 and 56 of the Public Utility Code and PUC regulations shall not be applicable to unpaid NGS charges for non-POR eligible accounts on consolidated billing. NGSs will be responsible for collecting unpaid NGS charges on non-POR eligible accounts on consolidated billing. UGI shall support rate-ready billing, and all NGS rates must conform to supported rate designs. For Purchased Customer Accounts, Company shall pay Choice Supplier an amount equal to 97.78% for residential amounts billed (inclusive of associated sales taxes) and 99.62% of non-residential amounts billed (also inclusive of taxes). Customer participation for NT shall be subject to Volumetric Eligibility pursuant to Section 5.4.

4.13 All existing customers of Choice Suppliers who elect to participate in the Company's optional Purchase of Receivables program shall be provided notice by the Choice Supplier and Company that (a) the Company will be providing one bill for all Company and Choice Supplier charges, (b) all payments should be made to the Company, (c) any unpaid amounts shall be subject to late payment charges, (d) the Company may request a security deposit for amounts which include Choice Supplier charges and (e) the Company maintains the right to terminate service for any unpaid Company or Choice Supplier charges, pursuant to Pennsylvania Public Utility Code regulations.

All new customers enrolling with Choice Suppliers who are participating in Company's optional Purchase of Receivables program shall be provided notice by the Choice Supplier prior to enrollment, and by Company upon enrollment, that (a) the Company will be providing one bill for all Company and Choice Supplier charges, (b) all payments should be made to the Company, (c) any unpaid amounts shall be subject to late payment charges, (d) the Company may request a security deposit for amounts which include Choice Supplier charges and (e) the Company maintains the right to terminate service for any unpaid Company or Choice Supplier charges, pursuant to Pennsylvania Public Utility Code regulations.

RULES AND REGULATIONS**5. OPERATIONAL REQUIREMENTS**

- 5.1 Daily Delivery Requirements. The Company will communicate to each Choice Supplier a Daily Delivery Requirement (DDR). The DDR will be the required amount of gas to be delivered for the indicated date for each Choice Supplier's pool of customers served under Rate Schedules RT and NT, and may specify the required points of delivery. The DDR includes a volume of gas that the Company will retain for Company use gas, and lost and unaccounted for gas, equal to 1.0% of total volume of gas delivered into its system for the Customer's account. Choice Suppliers who fail to deliver their DDR will be subject to penalties and imbalance charges as outlined in Rate AG.
- 5.2 Daily Flow Directive. An order issued by the Company to address system management issues including actions necessary to comply with statutory directives and obligations. DFDs will be communicated to affected Customers or NGSSs via e-mail if the Customer or NGSSs prefer to receive notice in this manner and provide a valid e-mail address, or if no such preference is expressed, either electronically, by telephone, through the use of the media or by an alternate mutually agreed upon method between the Company and the Customer or NGS. DFD notices shall include an explanation of the cause of the DFD. Customers and NGSSs must provide the Company with a 24-hour contact for DFDs. Failure to comply with a DFD may result in the Customer or NGS being assessed the penalty charge set forth in Section 22.4 of the Company's Gas Service Tariff.
- 5.3 Operational Flow Orders. A directive issued by the Company that is reasonably necessary to alleviate conditions that threaten the operational integrity of the Company's system, including actions necessary to comply with statutory directives and obligations OFOs will be communicated as soon as reasonably practical to affected Customers or NGSSs via e-mail if the Customer or NGSSs prefer to receive notice in this manner and provide a valid e-mail address, or if no such preference is expressed, either electronically, by telephone, through the use of the media or by an alternate mutually agreed upon method between the Company and the Customer or NGS. OFO notices shall include an explanation of the cause of the DFD. Customers and NGSSs must provide the Company with a 24-hour contact for OFOs. Failure to comply with an OFO may result in the Customer or NGS being assessed the penalty charge set forth in Section 22.4 of the Company's Gas Service Tariff.
- 5.4 POR Volumetric Eligibility Requirements for Rate NT. All Rate NT Customers with annual usage of 1,000 Mcf or less will be eligible for inclusion into a POR program.
- 5.5 The expanded POR program for former UGI Central Rate District and former UGI North Rate District customers will be supported by the Company on and after September 1, 2019.

RULES AND REGULATIONS**6. BILLING AND PAYMENT**

- 6.1 Billing Period. On or before the 15th of a month, Company shall send each Choice Supplier an invoice reflecting all charges incurred by the Choice Supplier for the prior calendar month activities. Such invoice may include charges related to adjustments for prior periods.
- 6.2 Payment. Payments will be due 10 days following issuance of the invoice. Choice Supplier shall make payment to the Company of such invoiced amount by wire transfer to the bank and account specified on the invoice. If the invoiced amount is less than \$1,000, payment can be made by check, payable to the Company. Unpaid balances shall accrue interest at the rate of 1.5 percent per month. Unpaid balances may result in the Company accessing the financial security posted by the Choice Supplier and / or the Choice Supplier being disqualified from providing Aggregation Service.
- 6.3 Billing Dispute. If Choice Supplier asserts a good faith billing dispute, the Choice Supplier shall inform the Company in writing of such dispute and pay the undisputed amount. The disputed amount shall accrue interest at the effective prime rate of interest as published under "Money Rates" by "The Wall Street Journal", or the maximum contract rate permitted by law, whichever is less. The Choice Supplier and the Company shall endeavor to resolve any disputes promptly and the amount determined to be properly invoiced, plus accrued interest on such amount shall be paid to the Company within fifteen (15) days following such resolution. Unpaid amounts not subject to dispute shall accrue interest at the rate specified in 6.2.
- 6.4 Licensed Supplier Budget Billing. The Company will bill all budget billing amounts calculated and provided by the Licensed Supplier. The Company will not determine a Licensed Supplier's budget bill charge unless the account is being billed under the POR program.

RULES AND REGULATIONS**7. NOMINATION PROCEDURE**

- 7.1 Customer Choice Nomination Procedure. The Nomination Procedure specifies requirements for nominating, scheduling, balancing, and communicating information relating to Choice Supplier's gas deliveries for customers served under Rates RT and NT.
- 7.2 Contact Persons. A list of Company contact persons will be posted on the Company's Web Site, located at <http://gasmngmt.ugi.com/>, or its successor, along with their department affiliation, email address, and telephone number.
- 7.3 Mandatory Assignment. As used in this tariff the term "Firm Commodity Supply Alternative" shall mean a Company purchase of natural gas, delivered directly to its distribution system or at points along Company pipeline capacity routes (Commodity Delivery Points), constituting a component of Company's PGC supply portfolio and an alternative to pipeline capacity contracts upstream of the Commodity Delivery Points or other firm sources of PGC supply. Firm Commodity Supply Alternative contractual arrangements may require the payment of demand charges or minimum take requirements. Except as provided below, Choice supplier shall be required to accept releases of Company pipeline capacity combined with bundled city gate sales and, as applicable, peaking sales of gas from Company and sales of gas associated with Firm Commodity Supply Alternative arrangements, in accordance with the following assignments:

A monthly release of interstate pipeline capacity or allocation of Firm Commodity Supply Alternative in an amount equal to forty-five percent (45%) of the Peak Day Delivery Requirement ("PDDR") of the Choice Customers served by the Choice Supplier during the month shall be released or allocated at a price equal to the projected weighted average demand cost of all PGC capacity, storage, peaking and Firm Commodity Supply Alternative assets, divided by .45.

The Company shall also provide Choice Suppliers with a must-take Monthly Bundled Sale Quantity ("MBSQ") during each winter month of November through March, and the Choice Supplier would be permitted to nominate and purchase gas at the Company's city gates throughout each winter month, subject to the Maximum Daily Quantity ("MDQ") limits, up to the MBSQ. The MDQ equals twenty-two percent (22%) of the PDDR of the Choice Customers served by the Choice Supplier during the month multiplied by the percentage shown on the Company's Energy Management website under the heading Maximum Daily Bundled Sale Percentages. The minimum daily quantity is zero. Choice Suppliers would be required to nominate to the Company a daily quantity for bundled sales no later than 2:00 P.M. Eastern Prevailing Time on each Intercontinental Exchange ("ICE") trading day for deliveries applicable to the ICE flow dates. If no nomination is received, the nomination quantity would default to zero. The Company reserves the right to issue Operational Flow Orders ("OFO") that can modify the daily bundled sale MDQ or require certain levels of deliveries from the released firm transportation contracts. These OFOs would be issued for operational reasons only. MBSQs would be based on the Company's storage withdrawal plan, to be updated annually, and communicated as a percentage of each Choice Supplier's pre-month normalized delivery requirements, which will be shown on the Company's Energy Management website under the heading Must-Take Monthly Bundled Sale Percentages.

RULES AND REGULATIONS

7. NOMINATION PROCEDURE - CONTINUED

If the full MBSQ is not nominated and purchased by the end of each such winter month, the shortfall ("Bundled Sale Cash-In quantity") would be purchased by the PGC ("Bundled Sale Cash-In amount") as follows:

- a. The DDR Variation Percentage is the sum of the actual DDRs experienced by a Choice Supplier divided by the sum of the pre-month average DDRs that was used to calculate the MBSQ, converted to a percentage. For any month where the DDR Variation Percentage is greater than ninety percent (90%), the Bundled Sale Cash-In amount would equal (1) the product of (a) 0.90 times the lowest absolute low for the Texas Eastern, M-2 receipts index price as published in Platts' Gas Daily for the applicable month of flow minus (b) the summer index price used for bundled sales (the "Bundled Sale Cash-In index") times (2) the Bundled Sale Cash-In quantity. If the resulting amount is positive, it would be credited to the Choice Supplier, or if negative, would be billed to the Choice Supplier.
- b. In recognition of the effects of extreme warm weather conditions, shortfall amounts would be purchased as follows under such conditions:
 - i. For any month where (a) the DDR Variation Percentage is less than or equal to ninety percent(90%) and (b) the Bundled Sale Cash-In quantity is less than or equal to the MBSQ minus the product of the DDR Variation Percentage times the MBSQ, then the Bundled Sale Cash-In amount would equal (1) the First of the Month Price called "Columbia Gas Transmission Corp., Appalachia" as published in Platts' Gas Daily Price Guide ("Inside FERC") for the month subsequent to the applicable month in which the Bundled Sale Cash-In quantity was created minus the summer index price used for bundled sales (the "Alternate Bundled Sale Cash-In Index") times (2) the Bundled Sale Cash-In quantity. If the resulting amount is positive, it would be credited to the Choice Supplier, or if negative, would be billed to the Choice Supplier.
 - ii. For any month where (a) the DDR Variation Percentage is less than or equal to ninety percent (90%) and (b) the Bundled Sale Cash-In quantity is greater than the MBSQ minus the product of the DDR Variation Percentage times the MBSQ, then the Bundled Sale Cash-In amount would equal (1) the Alternate Bundled Sale Cash-In Index, as defined in Section 7.3.b.i, times the DDR Variation Percentage times the MBSQ plus(2) the Bundled Sale Cash-In Index, as defined in Section 7.3.a,times the difference of the Bundled Sale Cash-In quantity minus the product of the DDR Variation Percentage times the MBSQ. If the resulting amount is positive, it would be credited to the Choice Supplier, or if negative, would be billed to the Choice Supplier.

RULES AND REGULATIONS**7. NOMINATION PROCEDURE - CONTINUED**

In addition to the bundled sales described above, Choice Suppliers shall be required to purchase from Company a separate bundled sale on peak days ("Peaking Sale") equal to an amount up to thirty-three percent (33%) of the PDDR of the Choice Customers served by the Choice Supplier during the month. The Peaking Sale would be made on winter days when the Choice Supplier's DDR exceeds the sum of the released firm capacity and the MDQ associated with the bundled sale. The Peaking Sale quantity would be the difference of the Choice Supplier's DDR minus the sum of the released firm capacity and the MDQ associated with the bundled sale. The Peaking Sale price would be based on the commodity cost of the Company's peaking services. If weather conditions cause the Choice Supplier's DDR to exceed the Choice Supplier's PDDR, the Choice Supplier would be responsible for arranging for supplies to meet the additional delivery requirements for its Choice Customers.

Also in addition to the bundled sales described above, to the extent Company's design cold PGC supply portfolio includes Firm Commodity Supply Alternative contractual arrangements containing minimum take requirements, Choice Supplier shall also be required to make monthly purchases of natural gas from Company in an amount and at the commodity price Company would have been required to pay under the Firm Commodity Supply Alternative contractual arrangements had the Choice Customers projected to be served by the Choice Supplier during the month received PGC service. To the extent Company's design cold PGC supply portfolio includes Firm Commodity Supply Alternative contractual arrangements not containing minimum take requirements, Choice Supplier may elect on a month-to-month basis to make monthly bundled city gate purchases of natural gas from Company in an amount and at the commodity price Company would have been required to pay had the Choice Customers projected to be served by the Choice Supplier during the month received PGC service, provided, however, that nothing in this section shall preclude the Company from issuing OFOs requiring additional purchases of natural gas in accordance with the provisions of Section 5.3 of this tariff.

- 7.4 Capacity Recall. All capacity assigned, released or transferred by Company is subject to recall, or in the event:
- a. A Choice Supplier is disqualified as an approved Choice Supplier on Company's system; or
 - b. The amount of capacity assigned, release or otherwise transferred is no longer required to serve the Choice Supplier's Pool; or
 - c. The Choice Supplier fails to comply with Section 4 of this tariff (Supplier Obligations) and the capacity is required by the Company or PUC approved Supplier of Last Resort to meet its firm commitments; or
 - d. The capacity is needed to protect the Company's gas distribution system integrity or meet the Company's public utility obligations.

RULES AND REGULATIONS**7. NOMINATION PROCEDURE - CONTINUED**

- 7.5 Agents. A Choice Supplier may have one or more agents who perform one or more supply obligations under this Supplier Tariff. In the event such an agent or agents are utilized, Choice Supplier shall notify Company of the responsibilities of the Agent, and shall provide Company with the Agent's valid e-mail address, 24-hour contact, and phone number for contact purpose. Choice Suppliers using Agents shall remain liable for all charges and penalties.
- 7.6 Determination of Capacity Assignment Quantities. Assignments, releases or transfers of upstream pipeline firm transportation capacity made pursuant to Section 7.3 shall be made on the basis of and in accordance with the supply portfolio held by Company at the time of assignment and the composition of the Choice Supplier's Pool. Each month the Company will evaluate and adjust the capacity releases quantity made to the Choice Supplier from time to time, as required.
- 7.7 City Gate Receipt Points. For nomination purposes, all transportation volumes received on behalf of customers served under Rates RT and NT shall be nominated to the Company's City Gate receipt points. Company reserves the right to specify delivery receipt points.
- 7.8 Daily Nominations. Choice Suppliers serving Rate RT and NT customers shall submit daily nominations equal to the DDR, consistent with the Company's requirements.
- 7.9 Third Party Supply Nominations - Customer Consent. All Company Choice Customers must provide consent to any Choice Supplier nominating on their behalf. Enrollments by Choice Suppliers are deemed to constitute that the customer has provided such consent. For transportation customers served under Rates RT and NT the Choice Supplier must maintain and produce upon request by Company evidence of customer consent within one business day notice.

RULES AND REGULATIONS**8. FINANCIAL SECURITY**

- 8.1 Financial Security. A Choice Supplier shall provide financial security to ensure that Company and/or other PUC-approved Supplier of Last Resort is able to receive, without undue delay, funds or other forms of remuneration sufficient to meet the financial consequences of a Choice Supplier's failure to perform its natural gas supply delivery service obligations hereunder. Company may also use such forms of financial security to satisfy in part or in whole a Choice Supplier's obligation to pay the penalties authorized by this Supplier Tariff. The amount and the form of the security, if not mutually agreed upon by the Company and the Choice Supplier, shall be based on the criteria established under 52 Pa. Code § 62.111(c) and as set forth in this Section 8.
- 8.2 Amount of Financial Security. A Choice Supplier seeking to be licensed to provide service on the Company's system shall be required to provide 1) a minimum surety level of \$50,000 or 2), if higher, the sum of the surety level requirements calculated on a customer basis equal to (i)\$60.00 per customer for residential customers; and ii)\$94.24/Dth times the Design Day Requirement (in Dth) for Choice Supplier's pool of non-residential customers. This security level shall be subject to adjustments as provided in Section 8.5. Provided, however, the Company reserves its right to file to change that methodology after the effective date of new rates established in the proceeding if the security levels prove inadequate.
- 8.3 Forms of Financial Security. For purposes of satisfying the amount of financial security determined under Section 8.2 hereof, the Choice Supplier shall provide financial security in one or more of the following manners, in a form reasonably acceptable to the Company and/or other PUC-approved Supplier of Last Resort, and shall reimburse Company for attorneys' fees and all related external costs incurred by Company in implementing and enforcing the form of financial security provided by Choice Supplier:
- (a) cash;
 - (b) performance bond;
 - (c) irrevocable letter of credit;
 - (d) guarantee from a third party;
 - (e) call options satisfying the requirements of Section 8.4 hereof;
 - (f) in the case of Choice Suppliers with annual operating revenues of less than \$1 million; real or personal property placed in escrow or other arrangement that would make the property readily available to Company in the event of the Choice Supplier's non-performance or entering into bankruptcy, provided that the Choice Supplier (i) provides a verified statement, certified by a third party report, showing that the Choice Supplier has clear title to the property and that the property has not been pledged as collateral, or otherwise encumbered in regard to any other legal or financial transaction; (ii) provides a current appraisal report of the market value of the property; and (iii) grant the Company, upon request, a security interest in such property in a form acceptable to Company;
 - (g) accounts receivable pledged or assigned to the Company pursuant to a Company PUC-approved POR program satisfying the requirements of Section 8.6 hereof;
or

RULES AND REGULATIONS**8. FINANCIAL SECURITY - CONTINUED**

(h) another form of financial security mutually acceptable to Company and Choice Supplier.

8.4 Call Option Requirements. A Choice Supplier may meet some or all of its financial security obligations determined under Section 8.2 hereof by providing to Company or paying the Company to procure a Call Option for a volume equal to the monthly Design Day Requirements of the Choice Supplier's customers served under Rate Schedules RT and NT. Unless otherwise authorized by Company, the Call Option must have a strike price equal to or less than the Choice Supplier's contract price(s) with its customers served under Rate Schedules RT and NT. The Call Option shall allow Choice Supplier or Company to call on a volume equal to the Choice Supplier's Design Day Requirement on each and every day the Call Option is in place such that the exercise on any day does not preclude or impact the ability to exercise the option on a subsequent day. Call Options shall be subject to the following requirements:

- (a) If procured by Choice Supplier, the Call Option must enable Company to exercise the Call Option in the event of non-performance by the Choice Supplier without obtaining the prior consent of Choice Supplier;
- (b) If procured by Choice Supplier, the Call Option may be exercised by it for any reason, including economic reasons, on any day when Company and/or other PUC-approved supplier of last resort does not need to exercise it because of Choice Supplier's failure to perform its natural gas supply delivery service obligations hereunder;
- (c) Company shall specify the period over which the Call Option may be exercised;
- (d) The Call Option may be a direct NYMEX instrument or it may be obtained indirectly from a third party. If the Call Option is a direct NYMEX instrument, the Choice Supplier shall assign the applicable capacity to Company. If the Call Option is obtained indirectly from a third party, then the transaction point shall be at a Company-approved city gate receipt point; and
- (e) Choice Supplier shall be responsible for the cost of the Call Option.

8.5 Adjustments to Financial Security Level. From time to time, the Company shall review the financial security provided by a Choice Supplier and determine whether any adjustments are required consistent with the formula under Section 8.2 hereof. The Company shall use the following factors to determine whether any such adjustments are required:

- (a) A change in the Choice Supplier's recent operating history on Company's system or on other NGDS systems has materially affected Company system operation or reliability. A change that could materially affect the Company system or reliability may occur when the Choice Supplier fails to deliver natural gas supply sufficient to meet its customers' needs on 5 separate occasions within a 30-day period, or fails to comply with Company Operational Flow Orders as defined at 52 Pa. Code § 69.11.

RULES AND REGULATIONS**8. FINANCIAL SECURITY - CONTINUED**

- (b) A significant change in the number of customers served, in the volume of gas delivered, or in the unit price of natural gas or a change in the class of customers being served by the Choice Supplier. A change over a consecutive 30-day period of 25% in the number of customer served, in the volume of gas delivered or in the average unit price of natural gas would represent a significant change.
- (c) A change in the Choice Supplier's credit reports that materially affects the Choice Supplier's creditworthiness. A Choice Supplier's creditworthiness could be materially affected when two of the following credit rating companies change the Choice Supplier's credit rating: Dun & Bradstreet, Standard & Poor's Rating Services, Inc., TransUnion LLC, EQUIFAX Inc., Experian Information Solutions, Inc.
- (d) A change in operational or financial circumstances that materially affects the Choice Suppliers' creditworthiness. A Choice Supplier's creditworthiness could be materially affected when two of the following investment rating companies change the Choice Supplier's rating of its issued securities from an investment grade or good rating to a speculative or moderate credit risk rating, and vice versa: Standard and Poor's Rating Services, Inc., Moody's Investment Services, Inc., Fitch, Inc., A.M. Best Company, Inc. and DBRS, Inc.

8.6 POR Requirements. A Choice Supplier may meet part or all of its financial security obligations determined under Section 8.2 hereof utilizing the accounts receivable pledged or assigned to the Company pursuant to a Company PUC-approved POR program, provided that Choice Supplier executes a Security Agreement which, among other things: (a) grants Company a first priority security interest in the accounts payable to Choice Supplier for the purchased receivables; and (b) grants Company an immediate right of set off against any account payable to Choice Supplier for any obligation owed by Choice Supplier to Company.

To reflect the variability in the amounts owed by Company to Choice Supplier for purchased receivables given seasonal variations in customer loads, the amount of this form of security will be determined pursuant to the following formula: (The average daily Mcf volume of gas delivered by the Choice Supplier during the lowest 30 day period of volume during the past 12 months for accounts enrolled in the POR program) times (the lowest rate per Mcf charged by the Choice Supplier during the past 12 months) times (the number of days between the purchase of and payment for a Choice Supplier's receivables).

8.7 Notice. If the Company determines, based on the criteria in Section 8.5 hereof, that an adjustment in the amount or type of security that a Choice Supplier must provide is warranted, the Company shall provide notice of its determination to the Choice Supplier in writing. The Choice Supplier shall comply with the Company's determination no later than 5 business days after the date the Choice Supplier was served with notice of the Company's determination. If the Choice Supplier disagrees with the Company's determination, the Choice Supplier may file a dispute with the Company and the Company and the Choice Supplier must attempt to resolve the dispute within 30 days after the date that the Company was notified of the dispute.

RULES AND REGULATIONS**9. ENROLLMENT OF CUSTOMERS INTO RATE SCHEDULES RT AND NT**

- 9.1 To be served under Rate Schedules RT and NT, a Customer must be enrolled by the Choice Supplier elected by the Customer. Such enrollment by the Choice Supplier must be provided in an electronic file to the Company via an approved internet based EDI transaction. The requirement filed shall include:
- a. The customer's name;
 - b. The customer's address;
 - c. The customer's Company account number;
 - d. The specific transaction;
 - e. The elected billing option.
- 9.2 Company Confirmation. Company will electronically confirm receipt of the enrollment information and within one (1) business day and subsequently provide an electronic validation of the Choice Supplier's transmitted information.
- 9.3 Determination of Gas Flow Date. For enrollments received on or before the 15th of any calendar month, the customer will be switched to Rate Schedule RT and NT, where the customer does not respond within 5 days from the Company's mailing of a letter confirming the election to be served by the Choice Supplier, on the Customer's regularly scheduled meter reading date in the calendar month immediately following the month the enrollment information was received. For enrollments received after the 15th of any calendar month, the customer will be switched to Rate Schedule RT and NT, where the customer does not respond within 5 days from the Company's mailing of a letter confirming the election to be served by the Choice Supplier, on the Customer's regularly scheduled meter reading date in the second calendar month following the month the enrollment information was received.

RULES AND REGULATIONS**10. RATE AG - AGGREGATION SERVICE**

AVAILABILITY

Rate AG - Aggregation Service (AG Service) is available to and required for an approved Natural Gas Supplier (Choice Supplier) licensed by the PUC to provide natural gas supply service to customers who qualify to receive service under Rate RT (General Service - Residential Transportation) or Rate NT (General Service - Non-residential Transportation)(hereinafter a Choice Supplier).

AGGREGATION SERVICE

A Choice Supplier qualified to receive Rate AG Aggregation Service shall aggregate the load of customers served under Rates RT and NT customers in an Aggregation Pool. Such Aggregation Pool is limited to customers served under Rates RT and NT.

ASSIGNMENT OF COMPANY PIPELINE CAPACITY

Company has the right to require the Choice Supplier to accept a release, assignment or transfer of Company pipeline capacity on a recallable basis. The minimum such assignment shall be is one (1) Dth per day per pipeline path.

RATE TABLE

Balancing Fee for Choice Supplier (\$/MCF) - As posted.

(Total Cost of Pipeline Assets Retained by Company for System Balancing - Balancing Related PGC Credits) divided by (Projected Annual Sales and Transportation Volumes Utilizing the Assets, as projected in each annual 1307(f) filing). This rate will be posted on Company's Delivery Service Web Site or its successor and will be updated as required.

Pipeline Capacity and Bundled Sales:

Choice Supplier shall be responsible for applicable charges pursuant to Section 7.

RULES AND REGULATIONS

10. RATE AG - AGGREGATION SERVICE - CONTINUED

PENALTIES

Failure to Deliver DDR:

The difference in price between the highest published index price for the Texas Eastern, M-3 and the lowest published index price for Texas Eastern, M-2 as published in *Platts' Gas Daily* on the table "Daily Price Survey" corresponding to the date the failure to deliver occurred, plus the applicable transportation charges from Texas Eastern M-2 to M-3, but shall not be lower than \$0.25/per Dth, applied to the difference between the DDR and the delivered volumes, plus all incremental costs incurred by Company as a result of the failure to deliver the DDR.

The Company may not charge for delivering in excess or under of the DDR if the overdelivery or underdelivery is anticipated to benefit the distribution system's daily balancing position as determined by Company in its sole discretion.

Failure to Comply with an OFO or DFD:

The Company has the right to issue Operational Flow Orders and Daily Flow Directives at any time. Failure to comply with any OFO or DFD shall result in a penalty charge of Fifty Dollars (\$50) per Dth or the charge calculated in compliance with Section 22.4 Maximum Daily Excess Balancing Charge, whichever is greater.

NOTICE

A Choice Supplier must provide Company, or any PUC-authorized alternative Supplier of Last Resort and its Rate RT and NT Customer(s) with ninety (90) days advance written notice of its intention to exit the market. In the event a Choice Supplier discontinues service or exits the market before its contract for natural gas supply service to a Rate RT and NT Customer expires and such Customer returns to its Supplier of Last Resort, Choice Supplier shall provide all contract billing data required by Company or other PUC-approved Supplier of Last Resort to render bills to Choice Supplier's customers for the period between Choice Supplier's default or exit from the market and the customer's next meter reading date.

BALANCING

Company will balance the daily difference, if any, between the anticipated Customer use, as communicated through the DDR, and the actual usage of Choice Supplier's customers. For this service, the Choice Supplier shall pay to Company the applicable Balancing Fees shown in this rate schedule, per MCF of Aggregation Pool usage, as measured at the meter.

RULES AND REGULATIONS**10. RATE AG - AGGREGATION SERVICE - CONTINUED**

RECONCILIATION

Company shall calculate the difference between the actual deliveries of each Choice Supplier's Aggregation Pool, and the usage of each such Aggregation Pool. The Company shall adjust future DDRs to account for any usage differences between forecasted weather and actual weather. Where actual meter reads cannot be obtained, the Company will estimate usage and such estimate shall be deemed actual usage. At the time a Choice Supplier no longer has any Choice Customers enrolled, the cumulative difference between delivered volumes and usage of the Choice Supplier's Aggregation Pool shall be cashed out at Company's average cost of gas purchased for the most recent 12 months. The average cost of gas shall be calculated as the product of the total commodity cost of gas purchases including transportation and fuel used and accounted for the most recent 12 months, divided by tariff sales for the same 12-month period.

NATURAL GAS SUPPLY PLANS

Choice Supplier shall cooperate with Company in the preparation of such reliability plans required under Section 1317 of the Public Utility Code, and shall provide all reasonable information related to gas deliverability assets under its control required by Company including providing copies of pipeline capacity contracts or delivered supply contracts, or, in lieu of providing such contracts, warrant pertinent information as required by the Company or any regulatory authority. Choice Supplier shall also enter into any necessary contractual arrangements, or make any required regulatory filings, to ensure that contracts and assets under its control, which are relied upon in Company's reliability plan, are available to Company or PUC-authorized supplier of last resort in accordance with Choice Supplier's obligations under its Aggregation Agreement and this Tariff.

COMPLIANCE WITH THE PENNSYLVANIA PUBLIC UTILITY COMMISSION REQUIREMENTS

Choice Supplier shall at all times comply with all applicable PUC requirements and regulations.

UGI UTILITIES, INC.- GAS DIVISION

**11. AGGREGATION AGREEMENT
FOR RATE SCHEDULES RT and NT
(Pro Forma)**

This Aggregation Agreement for Rate Schedules RT and NT ("Aggregation Agreement") is made and entered into this _____ day of _____, 20____, by and between UGI Utilities, Inc. - Gas Division, a Pennsylvania Corporation ("Company"), and _____, a _____ ("Choice Supplier").

WHEREAS, Company is a Pennsylvania public utility that, amongst other things, provides intrastate transportation service to Rate RT and NT customers located within its certificated service territory; and

WHEREAS, Choice Supplier is engaged in the business of selling natural gas supply services, and desires to market such services to Rate RT and NT customers located within Company's certificated service territory; and

WHEREAS, pursuant to the terms and conditions set forth in this Aggregation Agreement, Company is willing to receive natural gas supplies at specified points of interconnection situated between Company's facilities and the facilities of one or more interstate natural gas pipeline companies to serve the aggregated load of Rate RT and NT customers served by Choice Supplier, and to provide other services to facilitate the provision by Choice Supplier of natural gas supply services to customers; and

WHEREAS, pursuant to the terms and conditions set forth in this Aggregation Agreement, Choice Supplier is willing to deliver natural gas supplies for receipt by Company for subsequent transportation and redelivery at specified end-use customer locations, and to acquire aggregation services from Company.

NOW, THEREFORE, intending to be legally bound hereby, Company and Choice Supplier agree as follows:

ARTICLE I. DEFINITIONS

For the purposes of this Aggregation Agreement, in addition to any definitions set forth in Company's Gas Service Tariff and *Nomination Procedure*, which are hereby incorporated herein by reference, the following definitions apply:

1. **Aggregation Service** means services provided by Company to Choice Supplier to facilitate the delivery of gas supplies to customers receiving service under Rates RT and NT.

2. **Balancing** means services provided by Company to cover differences between a Choice Supplier's Daily Delivery Requirement and the actual usage of the Choice Supplier's Aggregation Pool.

3. **Customer** means a recipient of service under Rate Schedules RT and NT that contracts for natural gas supply service from a Choice Supplier.

4. **Daily Delivery Requirement (DDR)** means the daily quantities of natural gas supplies a Choice Supplier is required to deliver for an Aggregation Pool, as forecasted and communicated by Company, and may specify the required points of delivery. Such forecast shall be calculated to include volumes needed for end-use requirements, prior imbalances and Company use and unaccounted for gas.

5. **Delivery Point** means a point specified by Company where Choice Supplier may deliver natural gas supplies for subsequent redelivery by Company to Choice Marketer's Rate RT and NT customers.

6. **Rate Ready Billing** is the method of billing used by the Company to calculate the natural gas supply services provided by the Choice Supplier. Under this method, the Company uses actual meter readings obtained by the Company, or estimated consumption when the Company is unable to obtain an actual meter reading, and billing rate information provided by the Choice Supplier to calculate the bill.

7. **Transportation** means a service provided by Company on its facilities that enables gas owned by others to be received into, moved through, and delivered out of facilities owned, leased, or operated and controlled by Company.

8. **Upstream Capacity Assignment, Release or Transfer** means the process to provide access to interstate pipeline capacity and storage contracts owned by Company to Choice Supplier pursuant to Company's tariff and any applicable regulatory rules.

ARTICLE II. TERM

This Aggregation Agreement shall become effective on _____ and shall remain in effect, unless terminated pursuant to Section 6.1 hereof, or by either party by providing ninety (90) days' prior written notice, for so long as Choice Supplier is qualified to receive Rate AG service from Company. In the event this Aggregation Agreement expires or terminates, Company shall have no obligation, as between Choice Supplier and Company, to accept any natural gas supplies tendered by Choice Supplier for receipt into Company's facilities, and Choice Supplier's payment and financial obligations shall continue until fully discharged.

ARTICLE III. CHOICE SUPPLIER'S OBLIGATIONS

1. **Compliance**. Choice Supplier agrees that it shall comply with all of the applicable terms and conditions of Company's Gas Service Tariff and Company's Supplier Tariff, both of which are hereby incorporated by reference.

2. **Creditworthiness**. Choice Supplier shall establish, and maintain throughout the term of this Aggregation Agreement, and thereafter until all of Choice Supplier's payment obligations incurred under this Aggregation Agreement have been fully discharged, a satisfactory Financial Security status with Company. To enable the Company to determine credit status, Choice Supplier will provide to the Company the following: 1) relevant financial information to determine creditworthiness; 2) appropriate trade and banking references; and 3) written consent for Company to conduct a credit investigation. In addition, Choice Supplier shall comply with the Financial Security provisions of Company's Supplier Tariff, and may, based on Choice Supplier's credit standing with Company, be required to provide financial security in excess of the minimum amounts specified therein.

3. **Standards of Conduct.** Choice Supplier shall abide by all standards of conduct and other legal requirements applicable to Choice Supplier's line of business, including but not limited to the standard of conduct applicable to Choice Suppliers set forth in rules and regulations established by regulatory bodies having jurisdiction over Choice Supplier's activities, and other applicable law.

4. **Payments.** Choice Supplier will remit payment for all services within 10 days after receipt of Company invoice. A late payment charge of 1.50% per month will be applied to all outstanding balances as of the due date.

5. **Customer List.** Choice Supplier shall execute an Electronic Trading Partner Agreement and will keep confidential any customer information acquired either directly or indirectly from Company, and use such information solely for the purpose of offering natural gas supply service to Rate RT and NT customers. In the event the Company determines the Choice Supplier impermissibly released customer information to another party, in addition to all available remedies, Company may, at its option, immediately cancel this Aggregation Agreement.

ARTICLE IV. COMPANY'S OBLIGATIONS

1. **DDR.** Company shall provide Choice Supplier with its DDR for each Gas Day. Company shall accept receipt of all gas volumes up to the DDR. Company shall have the right to accept, but shall in no instance be required to accept, an Over-delivery by Choice Supplier. The acceptance of such over delivery shall not constitute any waiver of any provisions of the Company's Gas Service Tariff or *Nomination Procedure*.

2. **Monthly Statement.** Company shall bill Choice Supplier by the 15th of each month for services provided by Company during the preceding month and other amounts due to Company.

3. **Enrollment Notification.** Company shall generate and send a letter to all customers enrolled by a Choice Supplier indicating the supplier selected and the date service from the Choice Supplier is scheduled to commence. All customers enrolled by

the 15th of each month will be transferred to their respective Choice Supplier effective with their next calendar meter read if customer does not respond within five (5) days following confirmation to challenge the enrollment. Company shall send an electronic message confirming the selection to the Choice Supplier.

4. **Rate AG.** Company shall provide all of the other aggregation services applicable to Choice Supplier specified in the Rate AG provisions of its tariff.

ARTICLE V. BILLING SERVICE

5.1 **Standard Billing Service.** Company shall bill Choice Supplier’s Rate RT and NT customers for natural gas supply services provided by Choice Supplier on a rate-ready basis unless (a) a Choice Supplier not participating in the Company’s POR program elects to provide a separate bill for its charges or (b) a Choice Supplier’s customer elects to receive a separate bill for such services from its Choice Supplier. Choice Supplier must provide all billing rate information no later than fifteen (15) days prior to the effective date of such rate. Company will input all requests for new plans within a reasonable time frame based on the number of requests received.

5.2 **Standard Billing Charges.** Choice Supplier shall pay to Company the following fees for billing services:

Billing Fee	\$0.25/Bill.
Billing Adjustment Fee	
Affecting One (1) Month -	\$3.10/Revised Bill
Affecting More than One (1) Month -	\$3.60/Revised Bill

5.3 **Negotiated Billing Service.** In the event a Choice Supplier wants Company to provide a billing service other than the Standard Billing Service, such service shall be negotiated between Company and Choice Supplier.

5.4 **Choice Supplier Budget Billing.** The Company will bill all budget billing amounts calculated and provided by the Choice Supplier unless the account is being billed under the POR program, in which case the Company will provide budget billing to the customer. The Company will not determine or reconcile a Licensed Supplier's budget bill charge if the Licensed Supplier is not participating in the Company's POR program.

ARTICLE VI. REMEDIES

6.1. **Termination Upon Default.** In addition to other rights a party may have under this Aggregation Agreement, if either party fails to perform an obligation, or breaches any representation or warranty ("Defaulting Party") under this Agreement, then the other party (Non-Defaulting Party") shall have the right to terminate this Agreement by providing prior written notice thereof to the Defaulting Party. Termination pursuant to this Article shall be without waiver of any additional remedy, whether at law or in equity, to which the party not in default otherwise may be entitled for breach of this Agreement.

6.2. **Limitation of Liability.** Except as expressly permitted under this Agreement and Company's Gas Service Tariff, neither party shall be entitled to recover incidental, consequential or punitive damages, or lost profits, for any breach by the other party of an obligation, representation or warranty under this Agreement, provided such limitation shall not apply to willful or grossly negligent misconduct on the part of the Defaulting Party.

ARTICLE VII. REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION

Choice Supplier warrants that 1) it shall have good title to all natural gas tendered for receipt by Company hereunder, or is authorized by the owner of such gas to tender it for delivery to Company, and 2) such gas will be free and clear of all liens, encumbrances, and claims whatsoever. Choice Supplier shall fully indemnify

Company, and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of a breach of such warranties.

ARTICLE VIII. LIMITATION OF THIRD PARTY RIGHTS

This Agreement is entered into solely for the benefit of the Company and the Choice Supplier, and is not intended and should not be deemed to vest any rights, privileges or interests of any kind or nature to any third party, including, but not limited to the Customers that comprise Choice Supplier's Pool under this Agreement.

ARTICLE IX. SUCCESSION AND ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. However, no assignment of this Agreement, in whole or in part, will be made without the prior written approval of the non-assigning party. The written consent to assignment shall not be unreasonably withheld.

ARTICLE X. APPLICABLE LAW AND REGULATIONS

This Agreement shall be construed under the laws of the State of Pennsylvania and shall be subject to all valid applicable State, Federal and local laws, rules, orders, and regulations. Nothing herein shall be construed as divesting or attempting to divest any regulatory body of any of its rights, jurisdiction, powers or authority conferred by law.

ARTICLE XI. NOTICES AND CORRESPONDENCE

Written notice and correspondence to Company shall be addressed as follows:

UGI Utilities, Inc. - Gas Division

1 UGI Drive

Denver, PA 17517

Attention: Manager, Tariff & Supplier Administration

Email: EDI-GAS@UGI.COM

Written notices and correspondence to Choice Supplier shall be addressed as follows:

Name

Address

Attention: _____

Telephone:

Email:

Either party may change its address for receiving notices effective upon receipt, by written notice to the other party.

ARTICLE XII. MISCELLANEOUS

12.1 No modification of the terms and provisions of this Agreement shall be or become effective except by execution of written contracts or by modification of Company's Gas Service Tariff.

12.2. No waiver by any party of any one of more defaults by any other party of any provisions of this Agreement shall operate or be construed as a waiver of any subsequent or previous default or default, whether of a like or a different character.

12.3. In the event any tax or assessment is imposed, directly or indirectly, upon the gas tendered to, or received by Company for redelivery, Choice Supplier agrees to bear the amount of such tax or assessment. In the event that Company is required to pay such tax, Choice Supplier agrees to reimburse Company for such payment.

12.4. The subject heading of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

12.5. In the event of a conflict between the provisions of this Agreement and Company's Gas Service Tariff, the provisions of Company's Gas Service Tariff shall govern.

IN WITNESS WHEREOF, the parties hereto executed this Agreement on the day and year first above written.

ATTEST:

UGI UTILITIES, INC. - GAS DIVISION

BY _____

ATTEST

CHOICE SUPPLIER

BY _____