375 North Shore Drive, Suite 600 Pittsburgh, PA 15212

Lynda W. Petrichevich

Director, Rates and Regulatory Affairs

**Peoples Service Company LLC** 

Phone: 412-208-6528; Fax: 412-208-6577 Email: Ipetrichevich@peoples-gas.com

November 14, 2016

Rosemary Chiavetta Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>fd</sup> Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

Re: **Peoples Natural Gas Company LLC** 

Supplement No. 75 to Tariff Gas - PA PUC No. 45 Compliance Filing to Implement Pilot Rate MLX

Dear Secretary Chiavetta:

Enclosed for filing with the Commission on behalf of Peoples Natural Gas Company LLC ("Peoples") is Supplement No. 75 to Tariff Gas - PA PUC No. 45. Supplement No. 75 is being filed in compliance with the Commission's Order, entered November 9, 2016, at Docket No. R-2016-2542918.

Copies of this document have been served in accordance with the attached Certificate of Service. If you have any questions regarding this filing, please do not hesitate to contact me.

Thank you for your attention to this matter.

nda Petricbirel (944)

Respectfully submitted,

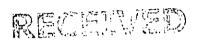
**Enclosure** CC:

Certificate of Service Michael W. Gang Anthony D. Kanagy

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RATES AND RULES **GOVERNING THE FURNISHING OF** 

PA PUBLIC UTILITY COMMISSION NATURAL GAS SERVICE TO RETAIL **GAS CUSTOMERS** 

> COMPLIANCE FILING TO IMPLEMENT PILOT RATE MLX REPLACING PILOT RATE SET

ISSUED: November 14, 2016

BY: Morgan K. O'Brien

**President** 

375 North Shore Drive Pittsburgh, PA 15212 **EFFECTIVE: November 15, 2016** 

**NOTICE** 

SUPPLEMENT NO. 75 TO GAS-PA PUC NO. 45
SIXTY-NINTH REVISED PAGE NO. 2

# CANCELLING SIXTY-EIGHTH and SIXTY-FOURTH REVISED PAGE NO. 2

# **LIST OF CHANGES**

Page 5 - Table of Contents replacing Rider L with Pilot Rate MLX.

Page 10 - Pilot Rate MLX added to "Rates Available Under This Tariff".

Page 20 - Revised Section 4 under "Rules and Regulations".

Page 77 - Replaced Rider L - Pilot Rate SET with Pilot Rate MLX.

Page 78 - Left Blank for Future Use.

ISSUED: November 14, 2016 EFFECTIVE: November 15, 2016

# SUPPLEMENT NO. 75 TO GAS—PA PUC NO. 45 ELEVENTH REVISED PAGE NO. 5 CANCELLING TENTH and NINTH REVISED PAGE NO. 5

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ISSUED: November 14, 2016

**EFFECTIVE: November 15, 2016** 

SUPPLEMENT NO. 75 TO GAS—PA PUC NO. 45 THIRD REVISED PAGE NO. 10 CANCELLING SECOND REVISED PAGE NO. 10

#### RATES AVAILABLE UNDER THIS TARIFF

#### Rate RS - Residential Service

This rate is available to residential ratepayers throughput the territory served by the Company.

#### Rate CAP

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

# Rate SGS - Small General Service-

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

# Rate MGS - Medium General Service

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

#### Rate LGS - Large General Service

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

# Rate CER - Competitive Energy Rate

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

#### Rate GS-T - General Service Transportation

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

# Rate GS-SB - General Standby Service

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

#### Rate NGPV

This rate offers service for natural gas powered vehicles.

#### **Pilot Rate MLX**

(C)

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

(C) Indicates Change.

ISSUED: November 14, 2016

EFFECTIVE: November 15, 2016

SUPPLEMENT NO. 75 TO GAS—PA PUC NO. 45 FOURTH REVISED PAGE NO. 20 CANCELING THIRD REVISED PAGE NO. 20

# RULES AND REGULATIONS

# 4. CONNECTIONS FOR SERVICE - EXTENSION OF FACILITIES

(C)

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

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

The meter and all pipe fittings and appliances furnished by the Company on the premises shall remain the property of the Company, and the Company shall have the right at all reasonable times to enter in and upon the premises for reading and change of meters, inspection, and reclaiming of its property.

The Company will extend its facilities to a new point of delivery within its service territory if, in its judgment and consistent with Commission regulations, the service to such new point of delivery will have no adverse effect upon the availability of gas to meet the present and reasonably foreseeable volume and pressure needs of existing customers. The Company may condition the extension of facilities upon the applicant's providing a contribution in aid of construction (CIAC), the amount of which will be determined by the Company and consistent with any parameters approved or required by the Commission. At the company's discretion, all applicants for an extension may be offered service under Pilot Rate MLX as an alternative to a CIAC.

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

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

Where evidence is found that Company facilities or service lines, meters, or other appurtenances on the ratepayer's premises have been tampered with, the ratepayer shall be required to bear all costs incurred by the Company for investigations and inspections and for such protective equipment as, in the judgment of the Company, may be necessary. In addition, where the tampering has resulted in improper measurement of the service supplied, the ratepayer shall be required to pay for such natural gas service, including interest at the late-payment charge rate, based on the Company's estimate, from available information, of the amount of gas used but not registered by the Company's meters.

(C) Indicates Change.

ISSUED: November 14, 2016 EFFECTIVE: November 15, 2016

SUPPLEMENT NO. 75 TO GAS-PA PUC NO. 45 THIRD REVISED PAGE NO. 77 CANCELLING SECOND REVISED PAGE NO. 77

# PILOT RATE MLX MAINLINE EXTENSION SERVICE (C)

The Company, at its discretion, may offer service under this rider to a residential or commercial Applicant or group of Applicants who require extension of the Company's facilities to serve the Applicant(s) under Rule 4 of the Rules and Regulations Section of this tariff. This Rate provides the Applicant(s) with an option to pay a delivery rate set by the Company from the delivery rate tiers below in lieu of providing a contribution in aid of construction ("CIAC") determined in accordance with Rule 4 using rates RS or SGS. All applicants at the time of construction as well as any future applicants serviced by a facility extended under this rate will pay the same rate as the original applicants. Future extensions of mainline from a previous Rate MLX project will be evaluated separately and assigned the greater of the MLX rate for the existing project or the MLX rate tier that will justify the project under Rule 4 on a standalone basis.

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

# Residential and Commercial Customers MLX Delivery Charge

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

Pilot Rate MLX delivery rates will be applied for each Mcf of gas used. The applicable rate will be selected from one of the tiers below for the entire extension. The Company will select the rate tier based on the minimum delivery rate required to cover the investment costs in accordance with Rule 4.

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

#### **Customer Service Line Costs**

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

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

(C) Indicates Change.

ISSUED: November 14, 2016 EFFECTIVE: November 15, 2016

PEOPLES NATURAL GAS COMPANY LLC		MENT NO. 75 TO GAS-PA PUC NO. 45 THIRD REVISED PAGE NO. 78 ING SECOND REVISED PAGE NO. 78
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(C) Indicates Change.

ISSUED: November 14, 2016

EFFECTIVE: November 15, 2016

# **VERIFICATION**

I, Lynda W. Petrichevich, hereby state that I am Director, Rates and Regulatory Affairs, of Peoples Natural Gas Company LLC; that I am authorized to and make this verification for it; that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter; that Peoples has posted Supplement No. 75 to Tariff Gas-PA PUC No. 45 on its Web Page in accordance with the Commission's Secretarial Letter of March 30, 1998. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 11/14/2014

Tysla Petrchevich (Jay)
(Signature)

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

# <u>CERTIFICATE OF SERVICE</u> (Docket Nos. R-2016-2542918 and R-2016-2542923)

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of §1.54 (relating to service by a participant).

#### **VIA FIRST CLASS MAIL**

DARRYL A. LAWRENCE, ESQUIRE AMY E. HIRAKIS, ESQUIRE OFFICE OF CONSUMER ADVOCATE FORUM PLACE 5TH FLOOR 555 WALNUT STREET HARRISBURG, PA 17101-1923

ELIZABETH ROSE TRISCARI, ESQUIRE JOHN R. EVANS OFFICE OF SMALL BUSINESS ADVOCATE 300 NORTH SECOND STREET SUITE 202 HARRISBURG, PA 17101

CARRIE B. WRIGHT, ESQUIRE GINA L. LAUFFER, ESQUIRE PA PUC BUREAU OF INVESTIGATION & ENFORCEMENT PO BOX 3265 HARRISBURG, PA 17105-3265

Dated: November 14, 2016

Jysida Petricherich (Joy)

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