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1 **I. INTRODUCTION AND SUMMARY**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Andrew P. Wachter, and my business address is 375 North Shore Drive,
4 Suite 600, Pittsburgh, PA 15212.

5
6 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

7 A. I am the Director, Finance and Regulation for PNG Companies LLC (“PNG”). I provide
8 services to Peoples Natural Gas Company LLC (“Peoples” or the “Company”). As
9 Director, Finance and Regulation, I oversee the Rates and Regulatory group among other
10 financial responsibilities at Peoples and its affiliates. My business address is 375 North
11 Shore Drive, Pittsburgh, Pennsylvania 15212.

12
13 **Q. HAVE YOU PREVIOUSLY SUBMITTED DIRECT AND REBUTTAL
14 TESTIMONY IN THIS PROCEEDING?**

15 A. Yes. My direct testimony is set forth in Peoples Statement No. 3, and my rebuttal
16 testimony is set forth in Peoples Statement No. 3-R.

17
18 **Q. WHAT IS THE PURPOSE OF YOUR REJOINDER TESTIMONY?**

19 A. I am presenting testimony in response to certain expense positions and recommendations
20 contained in the surrebuttal testimony submitted by Dante Mugrace on behalf of the
21 Office of Consumer Advocate (“OCA”), by Christopher Keller and Brenton Grab on
22 behalf of the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of

1 Investigation and Enforcement (“I&E”), and by C. James Davis on behalf of Duquesne
2 Light Company (“Duquesne”)

3
4 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

5 A. Yes. I am also sponsoring three additional exhibits (**Exhibit Nos. APW-RJ-1 through**
6 **APW-RJ-3**).

7
8 **Q. HOW HAVE YOU ARRANGED YOUR REJOINDER TESTIMONY?**

9 A. I have arranged my rejoinder testimony by subject matter. Where more than one witness
10 has addressed the same subject matter with testimony that I wish to rebut, I address all of
11 that testimony in the same section. I will address the following issues in the order listed.

- 12 • End of year plant balance and annualization adjustments
- 13 • Incentive Compensation
- 14 • Medical Expenses
- 15 • Inflation Adjustments
- 16 • Corporate Insurance
- 17 • Employee Expenses
- 18 • Company Memberships
- 19 • Advertising Expenses
- 20 • Other O&M
- 21 • Rate Case Expense
- 22 • Payment Processing Expenses

1 **II. RESPONSE TO OTHER PARTIES ADJUSTMENTS**

2 **A. END OF YEAR PLANT BALANCE AND ANNUALIZATION**
3 **ADJUSTMENTS**

4 **Q. IN HIS SURREBUTTAL TESTIMONY, OCA WITNESS MUGRACE**
5 **CONTINUES TO PROPOSE THE USE OF AN AVERAGE PLANT IN SERVICE**
6 **BALANCE FOR THE FULLY PROJECTED FUTURE TEST YEAR (“FPFTY”)**
7 **AS OPPOSED TO AN END OF YEAR BALANCE. (OCA St. No. 1-SR, pp. 2-6.)**
8 **HAS YOUR OPPOSITION TO MR. MUGRACE’S PROPOSAL CHANGED?**

9 A. No. Nothing in Mr. Mugrace’s surrebuttal testimony has changed my position. The end
10 of year rate base continues to be the appropriate FPFTY rate base balance, as explained in
11 my rebuttal testimony.

12
13 **B. LABOR**

14 **Q. OCA WITNESS MUGRACE CONTENDS THAT 50% OF SPOT AWARDS**
15 **SHOULD BE INCLUDED IN THE COMPANY’S LABOR EXPENSE BECAUSE**
16 **THE COMPANY DID NOT IDENTIFY THE EMPLOYEES WHO RECEIVED**
17 **SPOT AWARDS IN THE PAST. (OCA St. No. 1-SR, pp. 10-11.) WOULD YOU**
18 **PLEASE RESPOND?**

19 A. Mr. Mugrace’s argument should be disregarded. Identifying the past recipients of spot
20 awards is completely irrelevant to the prudence of the Company’s claim of spot awards
21 for the FPFTY. As explained in my rebuttal testimony, the Spot Award program
22 provides financial recognition for outstanding individual and/or small team performance
23 as part of Peoples’ recognition programs. The Spot Awards are based on achievement of
24 outstanding performance, which is determined based a series of factors. Therefore, the

1 individuals and small teams must meet those criteria in the future to receive spot awards.
2 In other words, the future recipients of the spot awards will be determined on whether
3 they meet those criteria, not on whether they received spot awards in the past. Thus, Mr.
4 Mugrace's reasoning for opposing the spot awards claim is fundamentally flawed.

5
6 **C. INCENTIVE COMPENSATION**

7 **Q. IN HIS SURREBUTTAL TESTIMONY, MR. MUGRACE CONTINUES TO**
8 **ADVOCATE FOR DISALLOWING THE COMPANY'S EXPENSE CLAIM**
9 **RELATED TO ITS ANNUAL PERFORMANCE INCENTIVE PLAN ("APIP").**
10 **(OCA St. No. 1-SR, pp. 11-12.) HAS YOUR POSITION CHANGED BASED ON**
11 **MR. MUGRACE'S SURREBUTTAL TESTIMONY?**

12 A. No. As explained in my rebuttal testimony, I maintain that the Company's incentive
13 compensation is commonplace and necessary to retain employees. It also incents those
14 employees to be good financial stewards for the Company, which benefits Peoples'
15 ratepayers. Moreover, by incenting the employees to stay within their O&M budgets,
16 APIP improves operational efficiency. Thus, the Company's incentive compensation is a
17 reasonable, market-based approach to incentive compensation that directly benefits
18 customers, and Mr. Mugrace's adjustment should be rejected accordingly. I also disagree
19 with Mr. Mugrace's assumption that if costs are not recovered through base rates that
20 shareholders will simply pay for those costs. These costs are valid and prudent and
21 should be recovered through base rates.

1 **D. MEDICAL EXPENSES**

2 **Q. OCA WITNESS MUGRACE REITERATES HIS PROPOSAL TO ELIMINATE**
3 **THE COMPANY’S PROPOSED 6% INCREASE IN MEDICAL COSTS FOR**
4 **THE FPPTY. (OCA St. No. 1-SR, pp. 13-14.) WOULD YOU PLEASE RESPOND?**

5 A. In his surrebuttal testimony, Mr. Mugrace avers that the 6% increase is not warranted
6 because the PwC study “is predicated upon what medical costs will be over the entire
7 industry” and “is not specific to the Company.” (OCA St. No. 1-SR, p. 14.)

8 Contrary to Mr. Mugrace’s argument, it is valuable to look at external sources,
9 including third-party studies from esteemed entities such as PwC and AON, when
10 evaluating what the Company’s future expenses will be. Moreover, Mr. Mugrace offers
11 nothing to explain why the Company will be an outlier from this trend in medical
12 expenses. Therefore, as explained in more detail in my rebuttal testimony, Peoples’
13 proposed 6% increase in medical costs for the FPPTY is justified.

14
15 **E. INFLATION ADJUSTMENTS**

16 **Q. OCA WITNESS MUGRACE ALSO MAINTAINS THAT ALL INFLATION**
17 **ADJUSTMENTS SHOULD BE ELIMINATED BECAUSE, ACCORDING TO**
18 **HIM, “THE COMPANY HAS NOT PROVIDED ANY EVIDENCE THAT ALL OF**
19 **ITS COSTS THAT IT APPLIED AN INFLATION FACTOR TO HAVE**
20 **ACTUALLY INCREASED.” (OCA St. No. 1-SR, pp. 15-16.) DO YOU AGREE?**

21 A. No. Mr. Mugrace is incorrect. In my rebuttal testimony, I included table explaining how
22 I calculated the 2.6% increase in the costs to which the inflation adjustments were
23 applied. (*See* Peoples Statement No. 3-R, p. 23.) Specifically, the table compared the
24 costs incurred during the twelve months ended September 30, 2018 (the HTY) to the

1 costs for the 12 months ended September 30, 2016. (See Peoples Statement No. 3-R, p.
2 23.) For ease of reference, I am reproducing that table below:

	<u>Twelve Months Ended</u>		
	<u>9/30/18</u>	<u>9/30/16</u>	<u>'18 v. '16</u>
	(1)	(2)	(3) = (1) - (2)
Total	\$ 59,900,717	\$ 56,951,487	\$ 2,949,230
		% Change	5.18%
		Annual Amount	2.59%

4
5 As seen in the table, costs increased by 5.18% over this period which results in an annual
6 amount of 2.59%. Thus, the table illustrates the reasonableness of using an inflation
7 adjustment of 2.11% on average during the FTY and FPFTY (refer to Exhibit No. 4, Sch.
8 1, p. 32). For these reasons, Mr. Mugrace's statement that I failed to provide actual
9 evidence of these costs increasing is completely unfounded.

10
11 **F. CORPORATE INSURANCE**

12 **Q. OCA WITNESS MUGRACE CONTINUES TO RECOMMEND THAT THE**
13 **COMPANY'S PROPOSED 7.10% PREMIUM INCREASE AND ITS COSTS**
14 **RELATED TO NON-OWNED AIRCRAFT LIABILITY INSURANCE SHOULD**
15 **BE REMOVED. (OCA St. No. 1-SR, pp. 16-17.) HAS YOUR POSITION**
16 **CHANGED BASED ON MR. MUGRACE'S SURREBUTTAL?**

17 **A.** No. As explained in my rebuttal testimony, the Company's proposed 7.1% premium
18 increase and its costs related to Non-Owned Aircraft Liability Insurance are reasonable
19 and should be accepted. First, I explained that the 7.1% utilized to develop the insurance
20 expense claim represents the total premium increase experienced from the 2018 insurance
21 invoice as compared to the 2017 insurance invoice. (Peoples St. No. 3-R, p. 24.) Mr.

1 Mugrace attempts to criticize the use of historical data for this expense by noting that I
2 did not use historical experience as the sole basis for establishing other expense claims.
3 (OCA St. No. 1-SR, p. 17.) However, Mr. Mugrace appears to be referencing the
4 Company's proposed 6% medical trend. As I stated in my rebuttal testimony, "Due to
5 the natural of medical costs, historical experience is not necessarily the best predictor of
6 future costs." (Peoples St. No. 3-R, p. 21.) Conversely, Mr. Mugrace never explains
7 why he criticizes the Company for using historical data for its insurance expense claim,
8 but then argues Peoples should rely on historical data for its medical expense claim.
9 Furthermore, Mr. Mugrace omits that the Company used the most recent premium
10 invoices received in September of 2018 for the period of October 2018 to September
11 2019 and estimates for those invoices not yet received at the time of preparing the case as
12 noted on Exhibit No. 19, Schedule RR-22. (Peoples St. No. 3-R, p. 25.) This differs
13 from the more historical approach advocated by I&E witness Keller, who recommended
14 that the Company use a three-year average to calculate insurance expense. (I&E St. No.
15 1, p. 19.)

16 Second, the costs related to Non-owned Aircraft Liability Insurance should not be
17 removed because such costs are prudent and reasonable costs to protect the Company and
18 ultimately the customers from risk. Employees utilize aircraft to travel exclusively for
19 business purposes, such as traveling to training seminars and trade functions. Thus, these
20 costs are prudent because they cover the risks associated with employees taking these
21 flights on behalf of Peoples.

1 **Q. I&E WITNESS KELLER MAINTAINS THAT THE COMPANY’S CORPORATE**
2 **INSURANCE EXPENSE CLAIM SHOULD BE REDUCED BY \$375,086**
3 **BECAUSE “THE COMPANY FAILED TO PROVIDE SUPPORTING**
4 **DOCUMENTATION FOR THE 7.1% INCREASE.” (I&E St. No. 1-SR, pp. 17-19.)**
5 **WOULD YOU PLEASE RESPOND?**

6 A. I continue to disagree with Mr. Keller’s recommendation for the reasons stated in my
7 rebuttal testimony. In the Company’s original filing, the premiums by coverage type
8 were provided in Exhibit No. 19, Schedule RR-22. Moreover, included with Peoples
9 Exhibit No. APW-RJ-1 are copies of the invoices for the Company’s corporate insurance
10 as well as a table summarizing the differences in the amounts shown on Peoples Exhibit
11 No. 19, RR-22 and on the invoices. These invoices were not previously provided to the
12 parties due to an inadvertent error. Therefore, Peoples has now provided the
13 documentation that Mr. Keller believes was lacking to justify the Company’s corporate
14 insurance expense claim.

15 Further, a table summarizing the differences between the invoices and Peoples
16 Exhibit No. 19, RR-22 is included in Peoples Exhibit No. APW-RJ-1. As seen in that
17 table, the invoices totaled \$6,127,530 for 2018-2019, whereas the amounts shown on
18 Exhibit No. 19, RR-2 totaled \$6,145,741 for that same period, *i.e.*, a difference of only
19 \$18,211. For these reasons, Mr. Keller’s recommendation should be rejected.

20
21 **G. EMPLOYEE EXPENSES**

22 **Q. OCA WITNESS MUGRACE CONTINUES TO ARGUE THAT THE**
23 **COMPANY’S EXPENSES RELATED TO ITS EMPLOYEE RECOGNITION**

1 **PROGRAMS (\$91,060), UNION SERVICE AWARDS (\$32,926), EMPLOYEE**
2 **EVENTS (\$257,275), EMPLOYEE ENTERTAINMENT (\$992,804), AND TRAVEL**
3 **EXPENSES (\$431,674) SHOULD BE REMOVED. (OCA St. No. 1-SR, pp. 17-20.)**
4 **WOULD YOU PLEASE RESPOND?**

5 A. Nothing in Mr. Mugrace’s surrebuttal testimony has changed my position. Therefore, as
6 explained in my rebuttal testimony, I continue to disagree with Mr. Mugrace’s
7 recommendations and believe that these expenses are prudent and should be recovered.

8
9 **Q. I&E WITNESS KELLER AND DUQUESNE WITNESS DAVIS ALSO HAVE**
10 **CONTESTED THE COMPANY’S EMPLOYEE ENTERTAINMENT EXPENSES.**
11 **(I&E St. No. 1-SR, pp. 20-22; Duquesne Light St. No. 1-SR, pp. 10-12.) WOULD**
12 **YOU PLEASE RESPOND?**

13 A. As I explained in my rebuttal testimony, these costs are an integral part of the Company’s
14 employee recognition and engagement program. Nothing in Mr. Keller’s or Mr. Davis’s
15 surrebuttal testimony has changed my position. Thus, these expenses are prudent and
16 should be recovered.

17
18 **H. COMPANY MEMBERSHIPS**

19 **Q. IN HIS SURREBUTTAL TESTIMONY, OCA WITNESS MUGRACE**
20 **MAINTAINS HIS PROPOSED DISALLOWANCE OF \$352,442 OF EXPENSES**
21 **RELATED TO THE COMPANY’S CORPORATE MEMBERSHIPS. (OCA St.**
22 **No. 1-SR, p. 20.) WOULD YOU PLEASE RESPOND?**

1 A. Nothing in Mr. Mugrace’s surrebuttal testimony has changed my position. Mr. Mugrace
2 continues to mischaracterize these memberships as merely social organizations, whose
3 dues would not meet the standard of recoverability under 66 Pa. C.S. § 1316.1. However,
4 as explained in my rebuttal testimony, these various organizations to which the Company
5 belongs provide tangible benefits to customers in the community by promoting economic
6 development, improving the workforce talent pool, helping solve regional problems, and
7 improving the quality of life in Western Pennsylvania. (Peoples St. No. 3-R, pp. 30-31.)
8 Thus, the Company’s corporate membership expenses are prudent and should be
9 recovered.

10
11 **I. ADVERTISING EXPENSES**

12 **Q. BOTH OCA WITNESS MUGRACE AND I&E WITNESS KELLER CONTINUE**
13 **TO ADVOCATE FOR REDUCTIONS TO THE COMPANY’S CLAIMED**
14 **ADVERTISING EXPENSES RELATED TO SPORTS SPONSORSHIPS AND**
15 **PARTNERSHIPS. (OCA St. No. 1-SR, pp. 21-22; I&E St. No. 1-SR, pp. 22-27.) DO**
16 **YOU AGREE?**

17 A. No. As I explained in my rebuttal testimony, Mr. Mugrace’s and Mr. Keller’s proposals
18 should be rejected. (Peoples St. No. 3-R, pp. 31-38.) Mr. Mugrace claims that the
19 effectiveness of the company’s safety messaging is difficult to ascertain, so he believes
20 50% inclusion of these expenses is a “reasonable approach.” (OCA St. No. 1-SR, pp. 21-
21 22.) Further, Mr. Keller generally contends that his proposed reduction should be
22 adopted because the “advertising is not directly targeted to Peoples ratepayers” and “not
23 all attendees at sporting events are Peoples ratepayers.” (I&E St. No. 1-SR, p. 24.)

1 Neither Mr. Mugrace nor Mr. Keller references the information that the Company
2 provided in response to interrogatories of Duquesne on May 30, 2019, *i.e.*, after my
3 rebuttal testimony was served on May 28, 2019. Attached hereto as Peoples Exhibit No.
4 APW-RJ-2 (**HIGHLY CONFIDENTIAL**) are copies of those HIGHLY
5 CONFIDENTIAL responses. As stated therein, [**BEGIN HIGHLY CONFIDENTIAL**]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **[END HIGHLY CONFIDENTIAL]**

12 For these reasons, the Company’s advertising efforts are cost-effective and help
13 drive customers to learn more about billing and safety issues. Thus, Mr. Mugrace’s and
14 Mr. Keller’s proposals should be rejected.

15

16 **Q. DUQUESNE WITNESS DAVIS OPPOSES THE COMPANY’S CLAIM FOR**
17 **ADVERTISING EXPENSES RELATED TO SPORTS SPONSORSHIPS AND**
18 **PARTNERSHIPS BECAUSE HE ARGUES THAT PEOPLES “HAS NOT**
19 **DEMONSTRATED THAT THEY ARE A COST-EFFECTIVE MEANS OF**
20 **ACHIEVING” ALLOWABLE UTILITY PURPOSES. (Duquesne Light St. No. 1-**
21 **SR, p. 10.) DO YOU AGREE WITH MR. DAVIS?**

22 **A.** No. As I explained above, Peoples’ advertising efforts are cost-effective and help drive
23 customers to learn more about billing and safety issues. **[BEGIN HIGHLY**

1

CONFIDENTIAL]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

13 [END HIGHLY CONFIDENTIAL]

14 For these reasons, Mr. Davis’s argument should be rejected.

15

16 J. OTHER O&M

17 Q. I&E WITNESS GRAB, OCA WITNESS MUGRACE, AND DUQUESNE
18 WITNESS DAVIS HAVE CHALLENGED THE BENEFITS OF THE
19 COMPANY’S CHARITABLE CONTRIBUTIONS. (OCA St. No. 1-SR, pp. 23-24;
20 I&E St. No. 3-SR, pp. 2-7; Duquesne Light St. No. 1-SR, pp. 12-13.) WHAT IS
21 YOUR RESPONSE?

1 A. The Company’s charitable contributions provide many benefits to the customers in
2 Peoples’ region. The below list summarizes the benefits received from some of the major
3 charitable contributions provided during the HTY.

4 • Allegheny County Parks Foundation (environmental category) – This foundation
5 helps improves quality of life, encourages healthy living and the environment for
6 residents in Allegheny County, Pennsylvania.

7 • American Heart Association (human services category) – Great Rivers Affiliate –
8 Helps to improve the heart health of area residents and decrease deaths resulting
9 from cardiovascular diseases and strokes.

10 • American Middle East Institute (economic development category) – Focuses on
11 building economical, educational, and cultural ties between people in our region
12 and the Middle East.

13 • Boys and Girls Club of America (youth category) – Improve the life of children in
14 our region through the development of self-esteem, courage, and positive values.
15 Provides tutoring services, technical training, arts, and other recreational
16 opportunities.

17 • Children’s Hospital Pittsburgh Foundation (youth category) – Improves the health
18 and well-being of children, teenagers and young adults in the Pittsburgh region.

19 • Dollar Energy Fund (human services category) – Improves quality of life for
20 people experiencing difficulties with affording utility services and provides
21 services that lead to self-sufficiency.

22 • Holy Family Foundation (youth category)– Helps the schools and neighborhoods
23 with the greatest needs by offering alternative learning and career training

1 environments and mental health and substance abuse counseling. Gives support
2 for families in difficult financial situations and the resources needed to help them
3 thrive.

- 4 • Leukemia and Lymphoma Society (human services category) – Invests in
5 research to cure cancer and saves lives. Advocates for cancer patients at the state
6 and federal level.
- 7 • United Way of Southwestern PA (human services category) – Helps solve the
8 difficult community issues and improve the health, education, financial stability
9 and basic needs of everyone in the community.
- 10 • Urban League of Pittsburgh (human services category) – Serves minorities as the
11 largest comprehensive social service/civil rights organization in Southwestern
12 Pennsylvania. Offers counseling, education, and other programs to assist people
13 in attaining economic empowerment and self-reliance.

14 Contributions to these organizations represent a significant portion of the charitable
15 contributions claimed in this case. For these reasons, and as explained in my rebuttal
16 testimony, these expenses are prudent and should be recovered.

17
18 **K. RATE CASE EXPENSE**

19 **Q. BOTH OCA AND I&E REITERATE THEIR PROPOSED ADJUSTMENTS TO**
20 **THE COMPANY’S RATE CASE EXPENSE CLAIM. (OCA St. No. 1-SR, pp. 25-**
21 **26; I&E St. No. 1-SR, pp. 4-13.) HAS YOUR POSITION CHANGED AFTER**
22 **REVIEWING THEIR SURREBUTTAL TESTIMONY ON THIS TOPIC?**

1 A. No. As explained in my rebuttal testimony, I continue to disagree with their proposed
2 adjustments to the Company’s rate case expense claim. (Peoples St. No. 3-R, pp. 41-45.)
3 The Company’s proposed two-year amortization is appropriate because it projects two
4 years to be the approximate length of time between the filing of this proceeding and the
5 filing of Peoples’ next base rate proceeding given the Company’s LTIP commitments for
6 infrastructure replacement. (Peoples St. No. 3-R, p. 43.) Although Mr. Keller continues
7 to focus on what occurred in other utilities’ cases (I&E St. No. 1-SR, pp. 9-13), the
8 information I provided in my rebuttal testimony about the circumstances unique to
9 Peoples supports the argument that a two-year amortization is appropriate.

10

11 **L. PAYMENT PROCESSING EXPENSES**

12 **Q. I&E WITNESS KELLER MAINTAINS HIS PROPOSAL TO REDUCE THE**
13 **COMPANY’S PAYMENT PROCESSING EXPENSE CLAIM BY \$944,749 AND**
14 **ALLEGES THAT DUQUESNE BASED ITS PAYMENT PROCESSING EXPENSE**
15 **CLAIM ON DISCUSSIONS WITH ITS VENDOR, NOT THE AITE GROUP**
16 **PAPER. (I&E St. No. 1, pp. 27-30.) WOULD YOU PLEASE RESPOND?**

17 A. As I explained in my rebuttal testimony, Mr. Keller’s proposal should be denied.
18 Moreover, his statement that Duquesne’s claim was not based on the AITE Group paper
19 is incorrect. Attached hereto as Peoples Exhibit No. APW-RJ-3 are selected pages from
20 the direct testimony of Katherine Scholl in Duquesne Light’s 2018 base rate case.
21 Therein, she repeatedly relies upon the AITE Group paper for support of Duquesne’s
22 payment processing expense claim. (See Peoples Exhibit No. APW-RJ-3.) Therefore,
23 Mr. Keller’s testimony on this point should be rejected entirely.

1

2 **III. CONCLUSION**

3 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY AT THIS TIME?**

4 A. Yes. I reserve the right to supplement my testimony as additional issues arise during the
5 course of this proceeding. Thank you.

Type of coverage 2017-2018	Invoice #'s	\$ on 19, RR-22	\$ on Actual Invoices	Difference	Comments
D & O	1,2	\$ 219,848	\$ 219,848	\$ -	
Exec Risk, Crime & Fid	3	\$ 103,154	\$ 103,154	\$ -	
Non-owned Aircraft	4	\$ 10,000	\$ 10,000	\$ -	
Ex Liab	5,6,7,8,9	\$ 3,747,603	\$ 3,747,603	\$ -	
Prop	5	\$ 291,229	\$ 291,229	\$ -	
Auto / Gen Comm Liab	12,13,14,15,16	\$ 381,737	\$ 381,737	\$ -	
Cyber Liab	10	\$ 497,263	\$ 497,263	\$ -	
Workers Comp	17,18	\$ 484,941	\$ 484,941	\$ -	
Railroad	11	\$ 4,289	\$ 4,289	\$ -	new policy in June 2018
Totals		\$ 5,740,064	\$ 5,740,064	\$ -	
		<i>% Difference</i>	<i>0.000%</i>		

Type of coverage 2018-2019		\$ on 19, RR-22	\$ on Actual Invoices	Difference	Comments
D & O	19,20	\$ 219,989	\$ 219,989	\$ -	
Exec Risk, Crime & Fid	21	\$ 103,848	\$ 104,367	\$ (519)	Original was an estimate
Non-owned Aircraft	22	\$ 10,000	\$ 10,000	\$ -	
Ex Liab	22,23,24,25,26	\$ 4,046,880	\$ 4,031,274	\$ 15,606	Original was an estimate
Prop	22	\$ 316,278	\$ 314,403	\$ 1,875	Original was an estimate
Auto / Gen Comm Liab	27,28,29,30,31	\$ 400,179	\$ 400,179	\$ -	
Cyber Liab	32	\$ 497,263	\$ 496,014	\$ 1,249	Original was an estimate
Workers Comp	33,34	\$ 547,015	\$ 547,015	\$ -	
Railroad	11	\$ 4,289	\$ 4,289	\$ -	new policy in June 2018
Total		\$ 6,145,741	\$ 6,127,530	\$ 18,211	
		<i>% Difference</i>	<i>0.297%</i>		

**Peoples Natural Gas Company LLC
Standard Data Request
Revenue Requirements**

RR 22. Please provide the most recent insurance premiums for each type of insurance coverage (i.e., employee benefit and those purchased by the Company) reflected in the Company's filing. If available, please provide estimated premiums for the subsequent calendar year.

* * * * *

Actual Premiums 2017 - 2018

Type of Coverage	Total Premiums	Peoples Division Share of Total Premiums	Equitable Division Share of Total Premiums	Combined Share of Total Premiums
Directors & Officers Liability	\$ 219,848	\$ 102,801	\$ 77,606	\$ 180,407
Executives Risk, Crime & Fiduciary Insurance	\$ 103,154	\$ 48,235	\$ 36,413	\$ 84,648
Non-owned Aircraft Liability Insurance	\$ 10,000	\$ 4,676	\$ 3,530	\$ 8,206
Excess Liability Insurance	\$ 3,747,603	\$ 1,741,755	\$ 1,314,884	\$ 3,056,639
Property Insurance	\$ 291,229	\$ 136,179	\$ 102,804	\$ 238,982
Automotive Insurance	\$ 298,566	\$ 167,645	\$ 67,088	\$ 234,733
General Commercial Liability Insurance	\$ 83,171	\$ 46,701	\$ 18,689	\$ 65,389
Cyber Security Liability Insurance	\$ 497,263	\$ 244,255	\$ 178,517	\$ 422,773
Workers' Compensation Insurance	\$ 484,941	\$ 327,190	\$ 77,542	\$ 404,732
Railroad Protective Liability	\$ 4,289	\$ 4,289	\$ -	\$ 4,289
Total Premiums	\$ 5,740,064	\$ 2,823,725	\$ 1,877,073	\$ 4,700,798

Note: Policy Period is 9/30/2017 - 9/30/2018 except for Cyber Security Liability - 1/02/2018 - 1/02/2019 and Railroad Protective Liability - 6/26/2018 - 9/30/2019.

Estimated Premiums 2018 - 2019

Type of Coverage	Total Premiums	Peoples Division Share of Total Premiums	Equitable Division Share of Total Premiums	Combined Share of Total Premiums
Directors & Officers Liability	\$ 219,989	\$ 91,273	\$ 67,097	\$ 158,370
Executives Risk, Crime & Fiduciary Insurance	\$ 103,848	\$ 43,086	\$ 31,674	\$ 74,760
Non-owned Aircraft Liability Insurance	\$ 10,000	\$ 4,149	\$ 3,050	\$ 7,199
Excess Liability Insurance	\$ 4,046,880	\$ 1,679,050	\$ 1,234,299	\$ 2,913,349
Property Insurance	\$ 316,278	\$ 131,224	\$ 96,465	\$ 227,689
Automotive Insurance	\$ 301,561	\$ 174,031	\$ 68,243	\$ 242,274
General Commercial Liability Insurance	\$ 98,618	\$ 56,913	\$ 22,317	\$ 79,230
Cyber Security Liability Insurance	\$ 497,263	\$ 244,256	\$ 178,517	\$ 422,773
Workers' Compensation Insurance	\$ 547,015	\$ 298,397	\$ 177,506	\$ 475,903
Railroad Protective Liability	\$ 4,289	\$ 4,289	\$ -	\$ 4,289
Total Premiums	\$ 6,145,741	\$ 2,726,668	\$ 1,879,168	\$ 4,605,836

Note: Policy Period is 9/30/2018 - 9/30/2019 except for Cyber Security Liability - 1/02/2018 - 1/02/2019; Non-owned Aircraft Liability Insurance - 03/09/2018 - 03/09/2021 and Railroad Protective Liability - 6/26/2018 - 9/30/2019.

INS. OFFICERS
G/L 5306010

Approver: Preston Poljak

1



McGRIFF, SEIBELS & WILLIAMS, INC.

INSURANCE BROKERS
One Premier Plaza, Suite 500
5605 Glenridge Drive, Atlanta, GA 30342
Tel (404) 497-7500 Fax (404) 497-7565

INVOICE

INVOICE DATE	INVOICE NUMBER
10/02/17	235974
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/17	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

DETACH AND RETURN WITH REMITTANCE TO: **MCGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #458
P.O. BOX 11407, BIRMINGHAM, AL 35246-0001**

ALL OTHER CORRESPONDENCE TO: **McGriff, Seibels & Williams, Inc.
One Premier Plaza, Suite 500
5605 Glenridge Drive,
Atlanta, GA 30342**

Policy Number- ELU15208717 (\$10MM) Policy Term- 9/30/17 TO 9/30/18 Renewal Policy	Company- XL SPECIALTY INSURANCE CO. Coverage- Directors & Officers Liability	PREMIUM	102,500.00
Policy Number- 82259387 (10X10) Policy Term- 9/30/17 TO 9/30/18 Renewal Policy	Company- FEDERAL INSURANCE COMPANY Coverage- Excess Directors & Officers	PREMIUM	64,795.00
Policy Number- 019883593 (5X20) Policy Term- 9/30/17 TO 9/30/18 Renewal Policy	Company- NAT'L UNION FIRE INS CO/PA Coverage- Excess Directors & Officers	PREMIUM	27,720.00
Directors & Officers Liability Dates: September 30, 2017 to September 30, 2018			

INVOICE DATE	INVOICE NUMBER
10/02/17	235974

AMOUNT DUE	\$195,015.00
-------------------	--------------

McGRIFF, SEIBELS & WILLIAMS, INC.

DRAWER #458
P.O. BOX 11407
BIRMINGHAM, AL 35246-0001
(404) 497-7500

Thank You!

INS. OFFICERS
G/L 5306010

Approver: *Ariston Poljak* (2)



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS
One Premier Plaza, Suite 500
5605 Glenridge Drive, Atlanta, GA 30342
Tel (404) 497-7500 Fax (404) 497-7565

INVOICE

INVOICE DATE	INVOICE NUMBER
10/02/17	235975
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/17	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

DETACH AND RETURN WITH REMITTANCE TO: **McGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #456
P.O. BOX 11407, BIRMINGHAM, AL 35246-0001**

ALL OTHER CORRESPONDENCE TO: **McGriff, Seibels & Williams, Inc.
One Premier Plaza, Suite 500
5605 Glenridge Drive,
Atlanta, GA 30342**

Policy Number- G25536189007 (5X25)	Company- ACE AMERICAN INSURANCE CO.
Policy Term- 9/30/17 TO 9/30/18	Coverage- Independent Director Liability
Renewal Policy	
	PREMIUM 13,008.00
 Policy Number- G2553623A007 (5X25)	 Company- ACE AMERICAN INSURANCE CO.
Policy Term- 9/30/17 TO 9/30/18	Coverage- Independent Director Liability
Renewal Policy	
	PREMIUM 11,825.00
 Independent Directorship Liability Rneewal for: LDC Holdings LLC / LDC Holdings II LLC Dates: September 30, 2017 to September 30, 2018	

INVOICE DATE	INVOICE NUMBER
10/02/17	235975

AMOUNT DUE	\$24,833.00
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McGRIFF, SEIBELS & WILLIAMS, INC.

DRAWER #456
P.O. BOX 11407
BIRMINGHAM, AL 35246-0001
(404) 497-7500

Thank You!

3

INS. OFFICERS
G/L 5306010

Approver: Preston Potjak



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS
One Premier Plaza, Suite 500
5605 Glenridge Drive, Atlanta, GA 30342
Tel (404) 497-7500 Fax (404) 497-7565

INVOICE

INVOICE DATE	INVOICE NUMBER
10/02/17	235976
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/17	

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

DETACH AND RETURN WITH REMITTANCE TO: **McGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #458
P.O. BOX 11407, BIRMINGHAM, AL 35246-0001**

ALL OTHER CORRESPONDENCE TO: **McGriff, Seibels & Williams, Inc.
One Premier Plaza, Suite 500
5605 Glenridge Drive,
Atlanta, GA 30342**

Policy Number- 82242373 (\$10MM) Company- FEDERAL INSURANCE COMPANY
Policy Term- 9/30/17 TO 9/30/18 Coverage- Executive Risk Package
Renewal Policy

PREMIUM

103,154.00

Executive Risk Policy includes: Employments Practices Liability,
Fiduciary Liability, Commercial Crime and Special Crime
Dates: September 30, 2017 to September 30, 2018

INVOICE DATE	INVOICE NUMBER
10/02/17	235976

AMOUNT DUE	\$103,154.00
-------------------	--------------

McGRIFF, SEIBELS & WILLIAMS, INC.

DRAWER #458
P.O. BOX 11407
BIRMINGHAM, AL 35246-0001
(404) 497-7500

Thank You!

INS. OFFICERS
G/L 5306010

Approver: Preston
Poljak

4



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

2211 7th Avenue South/Birmingham, Alabama 35233
P.O. Box 10265/Birmingham, Alabama 35202-0265
Tel (205) 252-9871 Fax (205) 581-9293

INVOICE

INVOICE DATE	INVOICE NUMBER
9/05/17	045701
ASSURED NUMBER	AGENT
01 063990-000	Maguire, Patric
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/17	

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

DETACH AND RETURN WITH REMITTANCE TO: MCGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #456
P.O. BOX 11407 • BIRMINGHAM, AL 35246-0001

ALL OTHER CORRESPONDENCE TO: MCGRIFF, SEIBELS & WILLIAMS, INC.
P.O. BOX 10265 • BIRMINGHAM, AL 35202-0265

Policy Number- 100023530901
Policy Term- 9/30/17 TO 9/30/18
Renewal Policy

Company- STARR INDEMNITY & LIABILITY CO
Coverage- Non-owned Aircraft Coverage

PREMIUM 10,000.00

2017-2018 Non-Owned Aviation

INVOICE DATE	INVOICE NUMBER
9/05/17	45701

DRAWER #456
P.O. BOX 11407
BIRMINGHAM, AL 35246-0001
(205) 252-9871

AMOUNT DUE	
	\$10,000.00

McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

INS. EXCESS LIAB

Page 7 of 40

Preston Poljak

5

G/L 5306020



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

2211 7th Avenue South/Birmingham, Alabama 35233
P.O. Box 10265/Birmingham, Alabama 35202-0265
Tel (205) 252-9871 Fax (205) 581-9293

INVOICE

INVOICE DATE	INVOICE NUMBER
9/28/17	048286
ASSURED NUMBER	AGENT
01 063990-000	Maguire, Patric
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/17	

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

DETACH AND RETURN WITH REMITTANCE TO: **MCGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #456**
P.O. BOX 11407 • BIRMINGHAM, AL 35245-0001
ALL OTHER CORRESPONDENCE TO: **MCGRIFF, SEIBELS & WILLIAMS, INC.**
P.O. BOX 10265 • BIRMINGHAM, AL 35202-0265

Policy Number- XL5169406P* (\$35M)	Company- AEGIS INSURANCE SERVICES LTD
Policy Term- 9/30/17 TO 9/30/18	Coverage- Excess Liability Coverage
Renewal Policy	
	PREMIUM 2,257,877.00
	STAMPING FEE 20.00
	Return Continuity Credit 31,306.00-
	Surplus Lines Tax 66,797.13
Policy Number- ME1704270* (15X185)	Company- SWISS RE INTERNATIONAL SE
Policy Term- 9/30/17 TO 9/30/18	Coverage- Excess Liability Coverage
Renewal Policy	
	PREMIUM 60,000.00
	STAMPING FEE 20.00
	Surplus Lines Tax 1,800.00
Policy Number- 25381217GL* (100X35)	Company- ENERGY INSURANCE MUTUAL
Policy Term- 9/30/17 TO 9/30/18	Coverage- Excess Liability Coverage
Renewal Policy	
	STAMPING FEE 20.00
	Surplus Lines Tax 28,904.13
Policy Number- P05330005P*	Company- AEGIS INSURANCE SERVICES LTD
Policy Term- 9/30/17 TO 9/30/18	Coverage- Simplified Commercial Property
Renewal Policy	
	PREMIUM 284,310.00
	STAMPING FEE 20.00
	Return Continuity Credit 1,583.00-
	Surplus Lines Tax 8,481.81
2017-2018 Renewal Premium	

INVOICE DATE	INVOICE NUMBER
9/28/17	48286

DRAWER #456
P.O. BOX 11407
BIRMINGHAM, AL 35245-0001
(205) 252-9871

AMOUNT DUE	\$2,675,361.07
-------------------	-----------------------

McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

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3000 Bayport Drive
Suite 550
Tampa, Florida 33607-8418
(813) 287-2117 - Fax: (813) 874-2523

INVOICE

MEMBER Insured
LDC Funding LLC 225 North Shore Drive Pittsburgh, PA 15212

INVOICE NUMBER	ISSUE DATE	DUE DATE
0000033881	09/27/17	09/30/17

EFFECTIVE DATE	EXPIRATION DATE	POLICY NUMBER	DESCRIPTION	AMOUNT
09/30/17	09/30/18	253812-17GL	Annual Premium due September 30, 2017	\$ 963,471.00
<p><i>INS. EXCESS LIAB</i> <i>G/L 5306020</i> <i>Approver: Preston Poljak</i></p>				
				\$ 963,471.00 TOTAL DUE

7

RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

T +44 (0)20 7397 4400
F +44 (0)20 7397 4444
enquiry@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

INS. EXCESS LIAB

G/L 5306020

Approver: Preston Poljak

27 September 2017

Transaction No.: ME1701917 0001 PM
Contact: Blair Knight

Debit Note

We refer to our Contract No. ME1701917 and set out below details of the premium calculations.

Insured	:	LDC Funding LLC
Period	:	From 30 September 2017 to 30 September 2018
Type	:	Excess Liabilities
Layer	:	USD 50,000,000 excess USD 135,000,000
Details	:	Premium for 2017 - 2018 Period

TOTAL AMOUNT DUE	<u>USD</u>	<u>225,000.00</u>
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In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to our Principal, Howden UK Group Limited (HUG) on or before 16 October 2017.

When making remittance, please quote Transaction No. ME1701917 0001 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with RBS Citizens, N.A, 1 Citizens Drive, Riverside, Rhode Island 02915. Account details are as follows:-

Currency	Account Number	ABA Number	Swift Code
USD	1312648632	ABA-211-070-175 (ACH payments) ABA-011-500-120 (Wire payments)	CTZIUS33



8

RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

T +44 (0)20 7397 4400
F +44 (0)20 7397 4444
enquiry@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

19 December 2017

Transaction No.: ME1716287 0003 PM
Contact: Blair Knight

Debit Note

We refer to our Contract No. ME1716287 and set out below details of the premium calculations.

Insured : LDC Funding LLC
Period : From 30 September 2017 to 30 September 2018
Type : Excess Liabilities
Layer : USD 50,000,000 excess USD 200,000,000
Details : Original Premium for 2017 - 2018 Period

GROSS PREMIUM	USD	175,000.00
ORDER HEREON 50.00%	USD	87,500.00
TOTAL AMOUNT DUE	<u>USD</u>	<u>87,500.00</u>

In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to RKH Specialty on or before 08 January 2018.

When making remittance, please quote Transaction No. ME1716287 0003 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with Citizens Bank N.A, 28 State Street, 13th Floor, MS1335, Boston, MA 02109. Account details are as follows:-

Account Name	Account Number	ABA Number	Swift Code
RKH Specialty Limited - NST Client Account	1338067726	ABA - 211-070-175 (ACH payments) ABA - 011-500-120 (Wire Transfers)	CTZIUS33

9

RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

T +44 (0)20 7397 4400
F +44 (0)20 7397 4444
enquiry@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

19 December 2017

Transaction No.: ME1716091 0003 PM
Contact: Blair Knight

Debit Note

We refer to our Contract No. ME1716091 and set out below details of the premium calculations.

Insured : LDC Funding LLC
Period : From 30 September 2017 to 30 September 2018
Type : Excess Liabilities
Layer : USD 50,000,000 excess USD 200,000,000
Details : Original Premium for 2017 - 2018 Period

GROSS PREMIUM	USD	175,000.00
ORDER HEREON 50.00%	USD	87,500.00
TOTAL AMOUNT DUE	<u>USD</u>	<u>87,500.00</u>

In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to RKH Specialty on or before 08 January 2018.

When making remittance, please quote Transaction No. ME1716091 0003 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with Citizens Bank N.A, 28 State Street, 13th Floor, MS1335, Boston, MA 02109. Account details are as follows:-

Account Name	Account Number	ABA Number	Swift Code
RKH Specialty Limited - NST Client Account	1338067726	ABA - 211-070-175 (ACH payments) ABA - 011-500-120 (Wire Transfers)	CTZIUS33

CP 2200.INS.CYBER
G/L 5306020

Approved: Bill Roberts/
Andrew Wachter



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS
One Premier Plaza, Suite 500
5605 Glenridge Drive, Atlanta, GA 30342
Tel (404) 497-7500 Fax (404) 497-7565

INVOICE

INVOICE DATE	INVOICE NUMBER
12/20/17	240114
ASSURED NUMBER	AGENT
12 064180-800	Green, Mark
EFFECTIVE DATE	AMOUNT ENCLOSED
1/02/18	

3-802

19-54

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE

ETACH AND RETURN WITH REMITTANCE TO: MCGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #456
P.O. BOX 11407, BIRMINGHAM, AL 35246-0001

ALL OTHER CORRESPONDENCE TO: McGriff, Seibels & Williams, Inc.
One Premier Plaza, Suite 500
5605 Glenridge Drive,
Atlanta, GA 30342

Policy Number- B0621PLDCF000118* 30M Company- LLOYD'S
Policy Term- 1/02/18 TO 1/02/19 Coverage- Cyber Liability
Renewal Policy

PREMIUM	482,755.00
Tax	14,482.65
Surcharge	25.00

Critical Asset Protection
Cyber Limit: \$30M
Policy Effective: 1/2/2018 - 1/2/2019

RECEIVED
JAN 02 2018
ACCTS PAYABLE

INVOICE DATE	INVOICE NUMBER
12/20/17	240114

AMOUNT DUE	\$497,262.65
------------	--------------

McGRIFF, SEIBELS & WILLIAMS, INC.

DRAWER #456
P.O. BOX 11407
BIRMINGHAM, AL 35246-0001
(404) 497-7500

Thank You!

11



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 456 PO Box 11407 Birmingham, AL 35246-0456	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 456 2090 Parkway Office Circle Birmingham, AL 35244

INVOICE DATE	INVOICE NUMBER
5/08/18	070219
ASSURED NUMBER	AGENT
01 063990-000	Maguire, Patric
EFFECTIVE DATE	AMOUNT ENCLOSED
6/26/18	

LDC Funding LLC
c/o PNG Companies
375 North Shore Dr. Suite 600
Pittsburgh, PA 15212

PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE
BY EFFECTIVE DATE

Correspondence Address: MCGRIFF, SEIBELS & WILLIAMS, INC.
P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
Tel: (205) 252-9871 / Fax: (205) 581-9293

Policy Number- EN4GL00143181	Company- EVEREST NATIONAL INSURANCE CO
Policy Term- 6/26/18 TO 9/30/19	Coverage- Railroad Protective Liability
Renewal Policy	
	PREMIUM 4,289.00
For Southwest Pennsylvania Railroad Company and Westmoreland County Industrial Development	
Please note: Payment is due in full promptly upon receipt	
<p>1000</p> <p>5306099</p> <p>PP 9925</p> <p>Approved:</p> <p>Kevin Acklin</p>	

INVOICE DATE	INVOICE NUMBER
5/08/18	70219

AMOUNT DUE	\$4,289.00
-------------------	-------------------

McGRIFF, SEIBELS & WILLIAMS, INC.

THANK YOU!



Workers' Compensation Insurance

Quote Date: 09/15/2017

Quote #: Q203391-001

Proposed Policy Period: 09/30/2017 - 09/30/2018

Installment Schedule

<u>Installments</u>	<u>Due Date</u>	<u>Amount Due</u>
Deposit Premium	09/30/2017	\$72,628.00
Installment	11/19/2017	\$41,156.00
Installment	12/20/2017	\$41,156.00
Installment	01/19/2018	\$41,156.00
Installment	02/19/2018	\$41,156.00
Installment	03/21/2018	\$41,156.00
Installment	04/19/2018	\$41,156.00
Installment	05/20/2018	\$41,156.00
Installment	06/19/2018	\$41,156.00
Installment	07/20/2018	\$41,156.00
Installment	08/19/2018	\$41,155.00

Please note this Installment Schedule is valid for this quote as written, any change in this quote or its resulting policy is not reflected here in. A \$0 fee will be charged for each installment listed above.

BRICKSTREET MUTUAL INSURANCE COMPANY
400 QUARRIER STREET
CHARLESTON, WV 25301-2010



ARGONAUT INSURANCE COMPANY

PREMIUM INVOICE

INS. WORKERS COMP

G/L 5306070

Approver: Preston Poljak

LDC Funding LLC
375 North Shore Dr Ste 600
Pittsburgh PA 15212

Policy Number	
WC92830836380	
Invoice Number	Invoice Due Date
IR 00006629	10/17/2017
Invoice Date	Amount Due
10/02/2017	\$754.00

ARGONAUT INSURANCE COMPANY WORKERS' COMPENSATION POLICY Effective Date: 09/30/2017 Expiration Date: 09/30/2018	
Total Estimated Premium (Out of State Coverage)	\$754.00
Total Paid and Adjustments to Date: (Payments received recently may not be reflected on this invoice)	\$0.00
Installment Payment Due By 10/17/2017:	\$754.00
Total Due on Policy:	\$754.00

Questions?

Call between the hours of 8:00am and 5:00pm Monday through Friday
1-866-45BRICK or 1-304-941-1000.

Remove the stub below and return with your payment



ARGONAUT INSURANCE COMPANY

Policy Number: WC92830836380
Invoice Number: IR 00006629
Due Date: 10/17/2017

Make checks payable to:
BRICKSTREET MUTUAL INSURANCE COMPANY

** please do not remit cash

Amount Enclosed

LDC Funding LLC
375 North Shore Dr Ste 600
Pittsburgh PA 15212

Send Payment to:
BRICKSTREET INSURANCE COMPANY
P.O. BOX 11285
CHARLESTON, WV 25339-1285

000006629

53368907

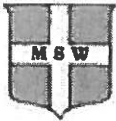
0000000830836380

19

CP. 2200. INS. OFFICERS

GL 5306010

Approver: Kevin Acklin



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 458 PO Box 11407 Birmingham, AL 35246 0458	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 458 2090 Parkway Office Circle Birmingham, AL 35244

INVOICE DATE	INVOICE NUMBER
9/19/18	252500
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/18	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE

Correspondence Address: MCGRIFF, SEIBELS & WILLIAMS, INC.
P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
Tel: (205) 252-9671 / Fax: (205) 581-9293

Policy Number- ELU15761718 (\$10MM) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- XL SPECIALTY INSURANCE CO. Coverage- Directors & Officers Liability		
	PREMIUM		107,500.00
Policy Number- G71181923001 (10X10) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- FEDERAL INSURANCE COMPANY Coverage- Excess Directors & Officers		
	PREMIUM		67,489.00
Policy Number- 019326323 (5X20) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- NAT'L UNION FIRE INS CO/PA Coverage- Excess Directors & Officers		
	PREMIUM		30,000.00
Directors & Officers Liability Dates: September 30, 2018 to September 30, 2019			

INVOICE DATE	INVOICE NUMBER
9/19/18	252500

AMOUNT DUE	\$204,989.00
------------	--------------

McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

20

CP. 2200. INS. OFFICERS
G/L 5306010
Approved: Kevin Acklin



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 458 PO Box 11407 Birmingham, AL 35246-0458	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 458 2090 Parkway Office Circle Birmingham, AL 35244

INVOICE DATE	INVOICE NUMBER
9/19/18	252501
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/18	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

Correspondence Address: MCGRIFF, SEIBELS & WILLIAMS, INC.
P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
Tel: (205) 252-9871 / Fax: (205) 581-9293

Policy Number- G31331262001 (5X25) Company- ACE AMERICAN INSURANCE CO.
Policy Term- 9/30/18 TO 9/30/19 Coverage- Independent Director Liability
Renewal Policy

PREMIUM 15,000.00

Independent Directors & Officers Liability
Dates: September 30, 2018 to September 30, 2019

INVOICE DATE	INVOICE NUMBER
9/19/18	252501

AMOUNT DUE	\$15,000.00
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McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

21

CP. 2200. INS. OFFICERS

G/L 5306010

Approver: Kevin Acklin



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 456 PO Box 11487 Birmingham, AL 35248-0456	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 456 2090 Parkway Office Circle Birmingham, AL 35244

INVOICE DATE	INVOICE NUMBER
9/19/18	252502
ASSURED NUMBER	AGENT
12 064180-888	Peterson, Alan
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/18	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

Correspondence Address: MCGRIFF, SEIBELS & WILLIAMS, INC.
P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
Tel: (205) 252-9871 / Fax: (205) 581-9293

Policy Number- 82242373	(\$10MM)	Company- FEDERAL INSURANCE COMPANY
Policy Term- 9/30/18 TO 9/30/19		Coverage- Executive Risk Package
Renewal Policy		
	PREMIUM	104,367.00
Executive Risk Policy includes: Employments Practices Liability, Fiduciary Liability, Commercial Crime and Special Crime Dates: September 30, 2018 to September 30, 2019		

INVOICE DATE	INVOICE NUMBER
9/19/18	252502

AMOUNT DUE	\$104,367.00
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McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

22



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

INVOICE DATE	INVOICE NUMBER
9/25/18	084616
ASSURED NUMBER	AGENT
01 063990-000	Maguire, Patric
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/18	

**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE
BY EFFECTIVE DATE**

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 456 PO Box 11407 Birmingham, AL 35246-0456	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 456 2090 Parkway Office Circle Birmingham, AL 35244

LDC Funding LLC
c/o PNG Companies
225 North Shore Dr. Suite 300
Pittsburgh, PA 15212-5860

Correspondence Address: MCGRUFF, SEIBELS & WILLIAMS, INC.
P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
Tel: (205) 252-9871 / Fax: (205) 581-9293

Policy Number- 100023530902 Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- STARR INDEMNITY & LIABILITY CO Coverage- Non-owned Aircraft Coverage	
	PREMIUM	10,000.00
Policy Number- PO5330006P* Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- AEGIS INSURANCE SERVICES LTD Coverage- Simplified Commercial Property	
	PREMIUM	310,909.00
	STAMPING FEE	20.00
	Return Continuity Credit	5,683.00-
	Surplus Lines Tax	9,156.78
Policy Number- XL5169407P* (\$35M) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- AEGIS INSURANCE SERVICES LTD Coverage- Excess Liability-Aegis	
	PREMIUM	2,516,258.00
	STAMPING FEE	20.00
	Return Continuity Credit	54,240.00-
	Surplus Lines Tax	73,860.54
Policy Number- 25410718GL* (100X35) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- ENERGY INSURANCE MUTUAL LTD. Coverage- Excess Liability Coverage	
	STAMPING FEE	20.00
	Surplus Lines Tax	30,104.13

~~SAT~~ CP. 2200. INS. EXCESS LIAB
G/L 5306020
Approver: Kevin Acklin

INVOICE DATE	INVOICE NUMBER
9/25/18	84616

AMOUNT DUE	**Continued**
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McGRIFF, SEIBELS & WILLIAMS, INC.

THANK YOU!



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

INVOICE DATE	INVOICE NUMBER
9/25/18	084616
ASSURED NUMBER	AGENT
01 063990-000	Maguire, Patric
EFFECTIVE DATE	AMOUNT ENCLOSED
9/30/18	

**PLEASE NOTE
 PREMIUMS ARE DUE AND PAYABLE
 BY EFFECTIVE DATE**

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 456 PO Box 11407 Birmingham, AL 35246-0456	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 456 2090 Parkway Office Circle Birmingham, AL 35244

LDC Funding LLC
 c/o PNG Companies
 225 North Shore Dr. Suite 300
 Pittsburgh, PA 15212-5860

Correspondence Address: MCGRUFF, SEIBELS & WILLIAMS, INC.
 P.O. Box 10265 / Birmingham, Alabama 35202-0265 / 2211 7th Avenue South / Birmingham, AL 35233
 Tel: (205) 252-9871 / Fax: (205) 581-9293

Policy Number- ME1804270* (15X185) Policy Term- 9/30/18 TO 9/30/19 Renewal Policy	Company- SWISS RE INTERNATIONAL SE Coverage- Excess Liability Coverage						
2018-2019 Renewal	<table> <tr> <td>PREMIUM</td> <td>60,000.00</td> </tr> <tr> <td>STAMPING FEE</td> <td>20.00</td> </tr> <tr> <td>Surplus Lines Tax</td> <td>1,800.00</td> </tr> </table>	PREMIUM	60,000.00	STAMPING FEE	20.00	Surplus Lines Tax	1,800.00
PREMIUM	60,000.00						
STAMPING FEE	20.00						
Surplus Lines Tax	1,800.00						

INVOICE DATE	INVOICE NUMBER
9/25/18	84616

AMOUNT DUE	\$2,952,245.45
-------------------	-----------------------

McGRIFF, SEIBELS & WILLIAMS, INC.

THANK YOU!

23

RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

+44 (0)20 7397 4400
Head.cashier@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

CP. 2200. INS. EXCESS LIAB

G/L 5306020

Approver = Kevin
Acklin

19 September 2018

Transaction No.: ME1801917 0001 PM
Contact: Blair Knight

Debit Note

We refer to our Contract No. ME1801917 and set out below details of the premium calculations.

Insured : LDC Funding LLC
Period : From 30 September 2018 to 30 September 2019
Type : Excess Liabilities
Layer : USD 50,000,000 excess of USD 135,000,000
Details : Original Premium for 2018 - 2019 Period

TOTAL AMOUNT DUE USD 225,000.00

In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to RKH Specialty on or before 23 October 2018.

When making remittance, please quote Transaction No. ME1801917 0001 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with Citizens Bank N.A, 28 State Street, 13th Floor, MS1335, Boston, MA 02109. Account details are as follows:-

Account Name	Account Number	ABA Number	Swift Code
RKH Specialty Limited - NST Client Account	1338067726	ABA - 211-070-175 (ACH payments) ABA - 011-500-120 (Wire Transfers)	CTZIUS33

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RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

T +44 (0)20 7397 4400
Head.cashier@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

CP. 2200. INS. EXCESS LIAB

G/L 5306020

Approver: Kevin
Acklin

19 September 2018

Transaction No.: ME1816091 0001 PM
Contact: Christopher Metcalf

Debit Note

We refer to our Contract No. ME1816091 and set out below details of the premium calculations.

Insured	:	LDC Funding LLC
Period	:	From 30 September 2018 to 30 September 2019
Type	:	Excess Liabilities
Layer	:	USD 50,000,000 excess USD 200,000,000
Details	:	Original Premium for 2018 - 2019 Period

GROSS PREMIUM	USD	175,000.00
ORDER HEREON 50.00%	USD	87,500.00
TOTAL AMOUNT DUE	<u>USD</u>	<u>87,500.00</u>

In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to RKH Specialty on or before 23 October 2018.

When making remittance, please quote Transaction No. ME1816091 0001 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with Citizens Bank N.A, 28 State Street, 13th Floor, MS1335, Boston, MA 02109. Account details are as follows:-

Account Name	Account Number	ABA Number	Swift Code
RKH Specialty Limited - NST Client Account	1338067726	ABA - 211-070-175 (ACH payments) ABA - 011-500-120 (Wire Transfers)	CTZIUS33

25

RKH Specialty
One Whittington Avenue
London EC3V 1LE
United Kingdom

T +44 (0)20 7397 4400
Head.cashier@rkhspecialty.com
www.rkhspecialty.com



LDC Funding LLC
C/O PNG Companies 375
N Shore Drive
Ste 600
PITTSBURGH
15212
United States of America

CP. 2200. INS. EXCESS L+AB

G/L 5306020

Approver: Kevin
Acklin

19 September 2018

Transaction No.: ME1816287 0001 PM
Contact: Christopher Metcalf

Debit Note

We refer to our Contract No. ME1816287 and set out below details of the premium calculations.

Insured : LDC Funding LLC
Period : From 30 September 2018 to 30 September 2019
Type : Excess Liabilities
Layer : USD 50,000,000 excess USD 200,000,000
Details : Original Premium for 2018 - 2019 Period

GROSS PREMIUM	USD	175,000.00
ORDER HEREON 50.00%	USD	87,500.00
TOTAL AMOUNT DUE	<u>USD</u>	<u>87,500.00</u>

In order for us to comply with the Terms of Trade stipulated by Underwriters please ensure that payment is made to RKH Specialty on or before 23 October 2018.

When making remittance, please quote Transaction No. ME1816287 0001 PM

Please examine this document carefully and if for any reason it is incorrect contact us immediately.

Where payments are made within the US the Company has an arrangement with Citizens Bank N.A, 28 State Street, 13th Floor, MS1335, Boston, MA 02109. Account details are as follows:-

Account Name	Account Number	ABA Number	Swift Code
RKH Specialty Limited - NST Client Account	1338067726	ABA - 211-070-175 (ACH payments) ABA - 011-500-120 (Wire Transfers)	CTZIUS33



3000 Bayport Drive
 Suite 550
 Tampa, Florida 33607-8418
 (813) 287-2117 - Fax: (813) 874-2523

INVOICE

MEMBER Insured
LDC Funding LLC 375 North Shore Drive Pittsburgh, PA 15212-0000

INVOICE NUMBER	ISSUE DATE	DUE DATE
0000034747	09/17/18	09/30/18

EFFECTIVE DATE	EXPIRATION DATE	POLICY NUMBER	DESCRIPTION	AMOUNT
09/30/18	09/30/19	254107-18GL	Renewal Premium CP. 2200. INS. EXCESS LIAB G/L 5306020 Approver: Kevin Acklin	\$ 1,003,471.00
				\$ 1,003,471.00
				TOTAL DUE



PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212

LDC Funding, LLC

AS2-641-444222-018	Business Auto - Deposit
AS2-641-444222-018	Business Auto - Tax, Assessment, Surcharge
EB2-641-444222-028	Self Insured Retention Occur - Deposit

ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057041

AMOUNT DUE

75,349.00
165.00
24,654.50
100,168.50

Balance

CP. 2200. INS. OTHER
G/L 5306099
Approver: Kevin Acklin

FOR COVERAGE QUESTIONS CALL OR WRITE YOUR PRODUCER
FOR BILLING QUESTIONS CALL OR WRITE CONNIE JABLONSKI AT 800-320-7582 EXT. 19214
OR CONNIE.JABLONSKI@LIBERTYMUTUAL.COM
LIBERTY MUTUAL INSURANCE BILLING AND COLLECTIONS, PO BOX 1525 100 LIBERTY WAY DOVER NH 03820-1525



PLEASE DETACH AND REMIT ORIGINAL WITH PAYMENT TO THE BOTTOM RIGHT ADDRESS - NOT AN OVERNIGHT MAILING ADDRESS

Liberty Mutual.
INSURANCE

PAYMENT DUE BY: 10/15/2018

AMOUNT PAID \$ _____

ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057041
BALANCE: 100,168.50

PRESTON POLJAK
PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212

Liberty Mutual Insurance
P.O. BOX 1449
NEW YORK NY 10116-1449

704004442220000000013057041000000000144900000000000000001001685001

CP .2200 .INS . OTHER

G/L 5306099

Apparor: Kevin
Acklin

PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212



ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057042

LDC Funding, LLC

AS2-641-444222-018 Business Auto - Installment 2
EB2-641-444222-028 Self Insured Retention Occur - Installment 2

AMOUNT DUE

58,511.75
18,490.88
75,002.63

Balance

FOR COVERAGE QUESTIONS CALL OR WRITE YOUR PRODUCER
FOR BILLING QUESTIONS CALL OR WRITE CONNIE JABLONSKI AT 800-320-7582 EXT. 19214
OR CONNIE.JABLONSKI@LIBERTYMUTUAL.COM
LIBERTY MUTUAL INSURANCE BILLING AND COLLECTIONS, PO BOX 1525 100 LIBERTY WAY DOVER NH 03820-1525



PLEASE DETACH AND REMIT ORIGINAL WITH PAYMENT TO THE BOTTOM RIGHT ADDRESS - NOT AN OVERNIGHT MAILING ADDRESS

Liberty Mutual.
INSURANCE

PAYMENT DUE BY: 10/30/2018

AMOUNT PAID \$ _____

ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057042
BALANCE: 75,002.63

PRESTON POLIAK
PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212

Liberty Mutual Insurance
P.O. BOX 1449
NEW YORK NY 10116-1449

704004442220000000013057042000000000144900000000000000000000750026301

CP, 2200. INS. OTHER

G/L 5306099

Approver: Tim Lyon



PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212

LDC Funding, LLC

AS2-641-444222-018 Business Auto - Installment 4
EB2-641-444222-028 Self Insured Retention Occur - Installment 4

ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057044

AMOUNT DUE

58,511.75
18,490.88
Balance 75,002.63

FOR COVERAGE QUESTIONS CALL OR WRITE YOUR PRODUCER
FOR BILLING QUESTIONS CALL OR WRITE CONNIE JABLONSKI AT 800-320-7582 EXT. 19214
OR CONNIE.JABLONSKI@LIBERTYMUTUAL.COM
LIBERTY MUTUAL INSURANCE BILLING AND COLLECTIONS, PO BOX 1525 100 LIBERTY WAY DOVER NH 03820-1525



PLEASE DETACH AND REMIT ORIGINAL WITH PAYMENT TO THE BOTTOM RIGHT ADDRESS - NOT AN OVERNIGHT MAILING ADDRESS



PAYMENT DUE BY: 12/30/2018

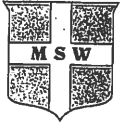
AMOUNT PAID \$ _____

ACCOUNT NO: 4-444222-0000
INVOICE NO: 13057044
BALANCE: 75,002.63

PRESTON POLJAK
PEOPLES NATURAL GAS COMPANY LLC
375 N SHORE DR. STE 600
PITTSBURGH PA 15212

Liberty Mutual Insurance
P.O. BOX 1449
NEW YORK NY 10116-1449

70400444222000000001305704400000000144900000000000000000750026301



McGRIFF, SEIBELS & WILLIAMS, INC.
INSURANCE BROKERS

INVOICE

PAYMENT INSTRUCTIONS: DETACH AND RETURN WITH REMITTANCE TO:	
Regular Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Drawer 456 PO Box 11407 Birmingham, AL 35246-0456	Overnight Mailing Address: McGriff, Seibels & Williams, Inc. Lockbox Attention: Lockbox Dept. Drawer 456 2090 Parkway Office Circle Birmingham, AL 35244

INVOICE DATE	INVOICE NUMBER
1/02/19	257082
ASSURED NUMBER	AGENT
12 064180-800	Green, Mark
EFFECTIVE DATE	AMOUNT ENCLOSED
1/02/19	

LDC Funding LLC
375 Northshore Drive #600
Pittsburgh, PA 15212

↑
**PLEASE NOTE
PREMIUMS ARE DUE AND PAYABLE BY
EFFECTIVE DATE**

Correspondence Address: **McGRIFF, SEIBELS & WILLIAMS, INC.**
3400 Overton Park Drive, SE / Suite 300 / Atlanta, Georgia 30339
Tel: (404) 497-7500 / Fax: (404) 497-7501

Policy Number- B0621PLDCF000119* 30M Company- LLOYD'S
Policy Term- 1/02/19 TO 1/02/20 Coverage- Cyber Liability
Renewal Policy

PREMIUM	481,547.85
STAMPING FEE	20.00
Surplus Lines Tax	14,446.44

INVOICE DATE	INVOICE NUMBER
1/02/19	257082

AMOUNT DUE	\$496,014.29
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McGRIFF, SEIBELS & WILLIAMS, INC.

Thank You!

331



Invoice Number: 35452361
Invoice Date: 09/18/2018

Policy Number: WCB1020153
Carrier: BrickStreet Mutual Insurance Company
Agency: McGriff Seibels & Williams Inc.

Payment Due Date	Current Payment Due
10/08/2018	\$81,944.00
Total Balance	Payment Amount
\$546,294.00	\$



3048

Please make Checks Payable to BrickStreet Insurance PO BOX 11285, Charleston West Virginia 25339-1285. Please include your policy or quote number on all checks and include this remittance slip with your payment

G/L 5306070

C.P. 2200. INS. WORKERS COMP

Approver: Kevin Acklin

LDC Funding LLC
375 N Shore Dr.
Suite 600
Pittsburgh, PA 15212

00035452361

53368901

0000000001020153



For Assistance, contact your Agent or visit us at www.BrickStreet.com or contact our customer service department at 866-452-7425

ACCOUNT SUMMARY

Opening Closing Date 08/31/2018 - 09/18/2018
Total Account Balance * \$546,294.00

Current Payment Calculation

Balance Last Statement	\$0.00
Payments	\$0.00
Charges / Adjustment	\$81,944.00
Fees	\$0.00
Current Balance	\$81,944.00

* Total Account Balance is the total amount needed to pay your account in full. This amount represents any future installments not yet billed.

PAYMENT INFORMATION

Policy Number: WCB1020153
Current Payment Due \$81,944.00
Payment Due Date 10/08/2018

Payment Due Date: The payment due date shown on this statement applies only to items billed in the current billing cycle. Any unpaid prior balance is due immediately and may result in your policy being cancelled prior to the due date on this statement

ACCOUNT ACTIVITY

Policy Period Dates	Transaction Dates	Description / State	Charges/Credits
Payment			
Charges / Adjustments			
09/30/2018 - 09/30/2019	09/18/2018	Installment assessment - KY	\$178.05
09/30/2018 - 09/30/2019	09/18/2018	Installment premium - KY	\$1,595.40
09/30/2018 - 09/30/2019	09/18/2018	Installment assessment - PA	\$2,435.10
09/30/2018 - 09/30/2019	09/18/2018	Installment premium - PA	\$75,061.26
09/30/2018 - 09/30/2019	09/18/2018	Installment assessment - WV	\$245.85
09/30/2018 - 09/30/2019	09/18/2018	Installment premium - WV	\$2,428.34
Fees			

33



Workers' Compensation Insurance

Quote Date: 09/10/2018

Quote #: Q222558-001

Proposed Policy Period: 09/30/2018-09/30/2019

Installment Schedule

<u>Installments</u>	<u>Due Date</u>	<u>Amount Due</u>
Deposit Premium	09/30/2018	\$81,944.00
Installment	11/19/2018	\$46,435.00
Installment	12/20/2018	\$46,435.00
Installment	01/19/2019	\$46,435.00
Installment	02/19/2019	\$46,435.00
Installment	03/21/2019	\$46,435.00
Installment	04/19/2019	\$46,435.00
Installment	05/20/2019	\$46,435.00
Installment	06/19/2019	\$46,435.00
Installment	07/20/2019	\$46,435.00
Installment	08/19/2019	\$46,435.00

Please note this Installment Schedule is valid for this quote as written, any change in this quote or its resulting policy is not reflected here in. A \$0 fee will be charged for each installment listed above.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Docket No. R-2018-3000124

Duquesne Light Company

DLC Statement No. 7

DIRECT TESTIMONY OF KATHERINE SCHOLL

Dated: March 28, 2018

1 **Q. Have you compared usage of debit and credit cards at Duquesne Light to that of**
2 **other electric utilities?**

3 A. Yes. According to the Aite/ACI 2017 report, “*How Americans Pay Their Bills: Sizing*
4 *Bill Pay Channels and Methods*”³, roughly 28% of one-time payments to electric utilities
5 are made via debit or credit card. Thirty-one percent (31%) of recurring (autopay)
6 payments made to electric utilities are made via debit or credit card. At 9.6% of
7 payments made via bank card, Duquesne Light is well below the industry average.

8 **Q. Why do Duquesne Light customers use debit or credit cards less than customers of**
9 **other utilities?**

10 A. Customers routinely tell the Company – via surveys and direct interaction in our contact
11 center – they are dissatisfied with having to pay a fee to make their payment with a bank
12 card. A sample of verbatim comments gathered from Duquesne Light customers via
13 monthly customer satisfaction surveys is provided as DLC Exhibit KMS-5.

14

15 Additionally, the data suggest that many of the Company’s most vulnerable customers
16 submit bank card or one-time ACH same-day payments via Western Union when they are
17 delinquent or facing potential termination for nonpayment, as this is the only way to
18 effect a same-day payment.

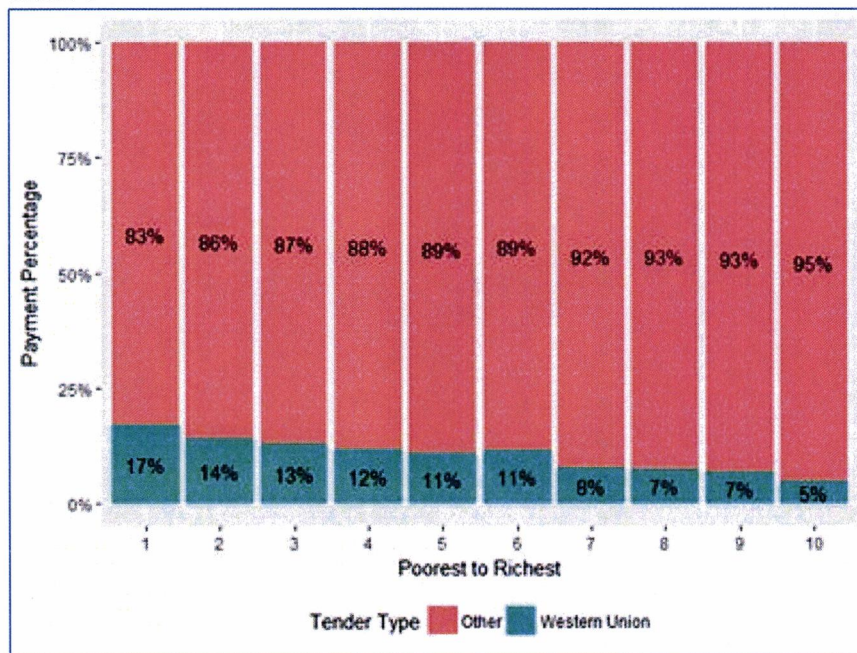
³ <https://www.aciworldwide.com/-/media/files/collateral/trends/how-americans-pay-their-bills-sizing-bill-pay-channels-and-methods.pdf>.

1 **Q. Can you describe the demographics of customers who historically use debit or credit**
2 **card payment options at Duquesne Light?**

3 A. Yes. Analysis of customer payment data indicates that CAP customers are significantly
4 more likely to use Western Union for payments than non-CAP/other residential
5 customers. 33.4% of CAP customers made at least one Western Union payment in 2017,
6 whereas only 9.3% of all other residential customers paid via Western Union. CAP
7 customers represent 6.6% of the Company's residential customer base, but 14% of all
8 residential Western Union payments.

9 Additionally, the Company compared the penetration of Western Union payments across
10 deciles of median household income (defined by Census data for each zip code) and
11 found that lower-income households were more than three times as likely to pay via
12 Western Union as high-income households. See Chart 3 below.

13 *Chart 3*



14

1 **Q. What insight can you provide as to current payment trends and customer**
2 **expectations?**

3 A. The previously-cited AITE/ACI report indicates that younger and middle-age generations
4 – those who represent a growing portion of our customer base -- prefer to pay via bank
5 card. Millennials and Gen Xers pay more of their bills using debit cards than older
6 consumers do. Seniors pay a larger percentage of bills using checks than do younger
7 generations: 31% of seniors use checks versus only 8% for millennials.
8 Not surprisingly, the same AITE/ACI report states that the use of checks to pay bills is
9 sharply declining; between 2010 and 2016, the percentage of bills paid by check went
10 from 37% to 17%, while the number of bills paid via ACH went from 36% to 46%.
11 Credit cards approximately doubled to reach 15% and debit cards went from 11% to 15%
12 during that same period.

13

14 The TSYS 2016 U.S. Consumer Payment Study⁴ asked consumers: “When given a
15 choice, what payment form do you prefer (for a one-time bill payment)?” 23% said they
16 prefer credit card; 33% prefer debit; 5% prefer cash and 14% prefer check.

17

18 There is strong support⁵ for the concept that customers want to easily pay via a mobile or
19 connected⁶ device. Among the ~70% of consumers who own at least one connected
20 device, the typical consumer owns *four* connected devices. As the TSYS 2016 U.S.

⁴ https://www.tsys.com/Assets/TSYS/downloads/rs_2016-us-consumer-payment-study.pdf

⁵ <https://www.pymnts.com/how-we-will-pay/>.

⁶ “Connected devices” include smartphones, computers and tablets, video game consoles, smart TVs, activity trackers and smart/sports watches, voice activated devices, wearables, and smart appliances.”