

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00	:	
2. BUREAU: FUS	:	
3. SECTION(S):	:	4. PUBLIC MEETING DATE:
5. APPROVED BY:	:	00/00/00
DIRECTOR:	:	
SUPERVISOR:	:	
6. PERSON IN CHARGE:	:	7. DATE FILED: 07/03/00
8. DOCKET NO: A-125042	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: PHILADELPHIA GAS WORKS

COMP/APP COUNTY:

UTILITY CODE: 125042

ALLEGATION OR SUBJECT

PHILADELPHIA GAS WORKS FILED ITS INITIAL GAS SERVICE TARIFF PA. P.U.C. NO. 1 EFFECTIVE JULY 3, 2000 IN ACCORDANCE WITH 2212(D) OF THE PUBLIC UTILITY CODE.

DOCUMENT FOLDER

DOCKETED
JUL 6 2000

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ORIGINAL

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July 3, 2000

VIA HAND DELIVERY

James McNulty, Secretary
PA Public Utility Commission
B-20 North Office Building
Harrisburg, PA 17105

RE: Philadelphia Gas Works — Tariff Filing in Accordance
with § 2212(d) of the Public Utility Code

RECEIVED
00 JUL -3 PM 1:49
PA P.U.C.
SECRETARY'S BUREAU

A-125042

Dear Secretary McNulty:

Enclosed for filing are 8 copies of Philadelphia Gas Works' ("PGW") tariff submitted in accordance with 66 Pa. C.S. § 2212(d) of the Public Utility Code. The tariff is effective today, July 3, 2000.

As the Commission is aware, § 2212(d) of the Code establishes that, while starting July 1, 2000, the PUC inherited regulatory oversight responsibilities for PGW, until the conclusion of its restructuring case PGW's operations will be governed by the "tariffs, policies and programs" that existed prior to July 1, 2000. The enclosed tariff is filed to incorporate these statutory changes into PGW's tariff. Because it is filed pursuant to the direction in 66 Pa. C.S. § 2212(d) this tariff does not require PUC approval under Chapter 13 of the Code.

The tariff, which we request be placed in the Public Tariff Section of the PUC, reflects PGW's existing tariff with two main revisions:

- 1) in accordance with Section 2212(d), tariff language has been modified in appropriate places to reflect the transfer of regulatory oversight to the Pennsylvania Public Utility Commission; and
- 2) minor changes in certain tariff language, which were approved by the Philadelphia Gas Commission on June 6, 2000, have been incorporated into the tariff. (A list of those revisions can be provided upon request).

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DSH:22991.1

DOCUMENT FOLDER

James McNulty, Secretary
July 3, 2000
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Finally, on June 19, 2000, PGW filed with the Philadelphia Gas Commission ("PGC") proposed tariff revisions and a proposed revision to its Gas Cost Rate. Those changes are pending before the PGC. PGW is including those proposed revised tariffs, as they were filed with the PGC, as Proposed Supplement No. 1 to PGW's Tariff No. 1. At this point, PGW is submitting these revisions for informational purposes.

Please contact me if you have comments or questions.

Very truly yours,



Daniel Clearfield

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

DC/jlg
Enclosures

cc: Veronica Smith, Dep. Exec. Dir. (w/enc)
Robert Rosenthal, Director, FUS (w/enc)
Tanya McClosky, OCA (w/enc)
Bernard Ryan, Small Business Advocate (w/enc)
Abby Pozefsky, Esquire (w/enc)
Les Fyock (w/enc)

ORIGINAL

PHILADELPHIA GAS WORKS
GAS SERVICE TARIFF

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PA. P.U.C.
SECRETARY'S BUREAU



PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

RULES AND REGULATIONS FOR RESIDENTIAL
AND NON-RESIDENTIAL GAS SERVICE

1. THE GAS SERVICE TARIFF

1.1 FILING AND POSTING

A copy of this Tariff, under which gas service will be supplied, is on file with the Pennsylvania Public Utility Commission ("Commission"), and is available for inspection at any district office and at the main offices of the Philadelphia Gas Works, hereinafter referred to as the "Company" or "PGW".

1.2 REVISIONS

This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with applicable law. Such changes, when effective, shall have the same force as the present Tariff.

1.3 APPLICATION

The Tariff provisions apply to anyone receiving gas service from the Company in accordance with these Rules and Regulations. Such receipt of gas service shall constitute the receiver as a Customer of the Company, as the term is used herein, whether service is based upon written contract, agreement, accepted signed application or otherwise.

1.4 DEFINITIONS

- a. CUSTOMER - Any party who has a contract for gas service with PGW and who falls into one of the following categories:
- (i) Residential - any customer in a dwelling (including an apartment) whose primary use of gas service is for household purposes such as space heating, air conditioning, cooking, water heating. The term "residential customer" shall be used interchangeable with the term "customer with residential service".
 - (ii) Landlord - any individual or organization who is the party responsible for payment of gas service provided to one or more tenants in a residential building pursuant to an oral or written rental arrangement.
 - (iii) Non-Residential - a party other than a residential customer or landlord-customer as set forth above.
 - (iv) Commercial - any customer who is a non-manufacturing establishment or agency primarily engaged in the sale of goods and services (including local, state, and federal agencies engaged in non-manufacturing activities) or a landlord-customer whose meter serves three (3) or more residential units.
 - (v) Industrial - any customer who is engaged in a process which creates or changes raw or unfinished materials into another form or product. Generation of electricity (other than by electric utilities) is included.
- b. RESIDENTIAL BUILDING - A building containing one or more dwelling units occupied by one or more tenants, but excluding nursing homes, hotels and motels.
- c. TENANT - Any person or group of persons whose dwelling unit in a residential building is provided gas pursuant to an oral or written rental arrangement for such dwelling unit, but who is not the Customer of PGW

for such gas service.

- d. RESIDENT - An owner, tenant, or occupant who makes the dwelling unit his/her residence.
- e. DUE DATE - The date on or before which payment must be received to avoid collection action. This date will be twenty (20) days from the date of transmittal, that is, the date of mailing or physical delivery of the bill by PGW to the customer.
- f. INQUIRY - A Customer contact initiated by a Customer with a question concerning billing or other customer service matters.
- g. REVIEW - The process by which PGW examines the Customer's account upon Customer inquiry.
- h. DISPUTE - An unresolved claim under further review at PGW, before the Customer Review Unit (CRU) of PGW or on appeal to the Commission
- i. APPEAL - The process by which a Customer petitions the Commission to act upon a dispute.
- j. APPLICANT - Any party that applies to become a Customer of PGW.
- k. HEATING CUSTOMER - Any customer whose primary use of gas is for space heating.
- l. NON-HEATING CUSTOMER - Any customer whose primary use of gas is for purposes other than for space heating.
- m. LOW-INCOME CUSTOMER - A Residential Customer whose gross household income is at or below 150% of the federal poverty level, which shall be updated at the start of PGW's fiscal year based on the data most recently published in the Federal Register by the U.S. Department of Health and Human Services.

1.5 BILINGUAL FORMS

All notices and forms referred to in this Tariff shall be in English and Spanish.

2. APPLICATION AND CONTRACT FOR GAS SERVICE

2.1 APPLICATION FOR GAS SERVICE

- a. How to Apply:
 - 1. Application for gas service shall be made by telephone, mail and/or by personal visit to one of PGW's District Offices, except as required pursuant to Regulation 2.1 (c).
 - 2. Applicants shall be given clear instructions as to how the application should be completed.
 - 3. Service will be provided as soon as possible upon completion of an application. Applications will be considered completed only upon compliance with all applicable requirements pursuant to Regulation 2.1 (b).
 - 4. Supporting documents required pursuant to Regulation 2.1 (b) may be submitted as originals or photocopies and in person or by mail. Documents submitted by mail will not be returned.

b. Documentation Required:

1. Identification - Parties applying to become residential customers shall provide two forms of personal identification at least one of which shall include proof of the applicant's social security number. Such forms of identification required for application may include, but are not limited to, the following: social security card, medical assistance card, Public Welfare card, drivers license, birth certificate, passport, library card, or similar items. Parties applying to become commercial or industrial customers shall provide their employer identification number (EIN) and such other documentation as may be required by PGW.
2. Residency/Tenancy/Ownership:
 - (i) An applicant for service may be requested to provide documentation evidencing commencement of ownership, tenancy or residency at the service address, including, for tenant applicants only, the name and mailing address of landlord and/or landlord's agent. Such documentation may include a copy of a deed, settlement papers, initial lease, initial receipt for rent payment or security deposit, a letter from a rental agent or landlord, or similar documents indicating prior residency elsewhere.
 - (ii) In the event that an applicant is unable to provide documentation evidencing commencement of ownership, tenancy or residency, PGW shall accept other evidence indicating ownership, tenancy or residency. Any applicant unable to provide such documentation may certify that he/she is a lawful owner, tenant or resident of the property for which service is sought.
3. Prior Customers - Any applicant who:
 - (i) Is a Customer whose account is not current.
 - (ii) Is a former Customer who has not paid a final bill in full, or
 - (iii) Is a former Customer whose service was terminated for non-payment shall execute any required payment agreement and submit any required down payment, deposit, and/or supporting documentation.

c. An in-person application interview may be required for any applicant who:

1. Is a former Customer whose service was terminated for unauthorized usage and/or tampering with the meter or other utility equipment, or
2. Is applying for service at a service address at which service was terminated for non-payment within the preceding one hundred twenty (120) days or where the home telephone number supplied by the applicant is the same as the home telephone number for a previously terminated account at the same address.
3. The purpose of the interview shall be to determine whether the applicant is responsible for the unauthorized usage and/or tampering and/or the prior usage at the service address.

d. Any applicant for service who cannot complete his/her application by telephone or mail and for whom a personal visit to one of PGW's District Offices is a severe hardship due to disability, may request that a PGW customer representative complete the application at the applicant's residence.

e. Each applicant for service shall designate, in written form to PGW, whether or not the application is for residential service to a tenant-occupied property. If the property is tenant-occupied, a list of tenants shall be submitted by the landlord-customer that an updated list of tenants is due.

2.2 STANDARD SERVICE CONTRACT

Any application for gas service, upon acceptance by the Company, constitutes a contract between the Company and the Customer.

2.3 (Number not currently in use).

2.4 RIGHT TO REJECT

- a. PGW may limit the amount and character of gas service it shall supply or may reject requests for initial or increased service if this is necessary to protect the supply of service to any Customer.
- b. PGW may reject requests for service for good and sufficient reason in accordance with the policies and regulations of the Commission.
- c. PGW may reject an application for service for any of the following reasons:
 1. The applicant fails to provide personal identification as provided in Regulation 2.1.
 2. The applicant fails to provide documentation appropriate to ownership, tenancy or residency as provided in Regulation 2.1.
 3. PGW can demonstrate that the applicant has tampered with the meter or other utility equipment or used gas service without PGW authorization.
 4. The applicant fails to enter into a payment agreement for any outstanding account with PGW which accrued within the past four years for which the applicant is legally responsible and for which the applicant was billed properly.
 5. The applicant for residential services fails to pay either the initial payment of at least 50% of a properly-required security deposit or 100% of a properly-required security deposit, whichever is applicable, as provided in Regulation 3.51 and 3.52, or the non-residential Customer fails to pay 100% of the deposit required by Regulations 3.51 and 3.52.
 6. The applicant fails to enter into a payment agreement for an outstanding judgment of record in favor of PGW and against the applicant.
- d. Except as set forth below, PGW may NOT require, as a condition of the furnishing of residential service only, payment for residential service previously furnished under an account in the names of persons other than the applicant unless a court has determined that applicant is legally obligated to pay for the service previously furnished. THIS SECTION SHALL NOT AFFECT THE CREDITOR RIGHTS AND REMEDIES OF PGW OTHERWISE PERMITTED BY LAW. Notwithstanding the foregoing, PGW may reject an application if at the time of the application there is an outstanding arrearage at the applicant's service address under the name of the applicant's spouse for which the applicant is responsible and for which the applicant fails to enter into a payment agreement.
 1. Arrearage of Spouse. An applicant is not responsible for a spouse's arrearage if the applicant can demonstrate that:

- a. A separation, divorce or other agreement or order places responsibility for such arrearage on the spouse, or that
 - b. The applicant did not reside at the service address for the entire period during which the arrearage accrued.
2. Arrearage of Another Resident/Tenant/Occupant. An applicant is not responsible for the arrearage of another resident/tenant/occupant at the same service address if the applicant was not a party to a written lease or other written agreement which provided that the resident(s)/tenant(s)/occupants(s) would be responsible for payment of utility service at the service address.
- a. *It shall be sufficient for the applicant, in order to establish lack of responsibility, to show that s/he did not live at the service address at the time the outstanding arrearage accrued. Documentation for this purpose may include copies of deeds, settlement papers, leases, rental receipts, letters from a rental agent or landlord, or similar documents indicating prior residency elsewhere. Documentation may also include correspondence with postmark addressed to the applicant; public assistance identification or confirmation letters; receipts, canceled checks or other financial documents containing both a date and an address; bills in the applicant's name for location-specific services; or any other written document of any nature that places the applicant, at the time the document was prepared, at a different address during the period in question.*
 - b. It shall be sufficient to establish the applicant's responsibility if s/he acknowledges responsibility for an arrearage accrued at the service address in the name of another resident/tenant/occupant.
3. Any payment agreement under this regulation shall be in accordance with the Customer's income as outlined elsewhere in these regulations; applicants may request that their payment agreement be negotiated through PGW, subject to Regulation 5.6.
- e. Where PGW rejects the application for service, PGW's written decision shall include:
 1. The specific reason(s) why service is not being provided.
 2. Any conditions that must be met in order to obtain service.
 3. An itemization of the amount for any charges that must be paid in order to obtain service.
 4. A description of the process by which the applicant can dispute PGW's decision.
 - f. If a decision on an application for service is not made within two business days commencing the day after the application is made, PGW shall respond in writing to the applicant stating specific reasons for the delay.

2.5 RE-SALE OF GAS

Gas service is sold upon the express condition that the Customer shall not sell the gas or any part thereof without the written consent of the Company.

2.6 APPLICATION OF RATES

- a. The rates included in this Tariff contemplate the supply of gas service under the appropriate rate classification to a single consumer unit at a single premises through one delivery and metering point.
- b. Where gas is supplied through a common service under more than one rate classification, the Customer will arrange his/her piping to separate the usage and the Company will install separate metering facilities, at a

location acceptable to the Company, and provide for separate billing.

- c. Gas supplied at a separate delivery points shall be billed for separately; except that when, in the judgment of the Company, Customers generally would be benefited, the total amount of gas supplied under the same rate classification through multiple delivery points for the same premises may be added for billing purposes (such billing to be known as "combined billing"). In those cases where combined billing is permitted, the Customer may be required to pay the cost of providing the gas supply facilities to the additional delivery points.

2.7 RATE DETERMINATION

When an applicant's conditions of use are such that more than one rate is available, it shall be the applicant's responsibility to select the rate or rates applicable to his/her service. Upon request, the Company to the extent feasible, will assist applicants, or Customers whose usage has materially changed (or is expected to materially change), in the selection of the most advantageous, available rate.

2.8 PERIODIC NOTIFICATION OF RIGHTS AND OBLIGATIONS

- a. The utility shall, at the time service is initiated to a residential Customer and at least annually thereafter, provide residential Customers with a summary of their rights and obligations under this Tariff in a form approved by the Commission. The summary shall include:
 1. A description of the complaint-handling procedures available at the utility and the Commission.
 2. The rights of Customers regarding payment of bills, meter readings, security deposits, termination of service and reconnection of service including the particular rights of the elderly.
 3. A description of the Customer's rights regarding payment plans.
 4. A description of PGW's Equal Monthly Payment Plan.
 5. The obligations of Customers regarding payment of bills, meter readings, security deposits, and the continuation or reconnection of service.
- b. PGW shall periodically include with its monthly billing bill inserts informing the public of Commission meetings, public hearings on rates, proposed changes in Commission regulations, and of other matters as required by the Commission.
- c. PGW shall post in several conspicuous places in each PGW office highly visible and easily understood posters to notify Customers of their rights, including the right to be informed of PGW's decisions. Such form shall be approved by the Commission.

3. MEASUREMENT, BILLING AND PAYMENT

3.1 QUANTITY MEASUREMENT

In the rates contained herein, where no pressure conditions are specified, the following shall apply;

- a. The installation and periodic inspection and maintenance of an automatic meter reading device, will be a condition to continued gas service. Customer must assist PGW in all reasonable attempts to secure information about or approval from landlords. Customers may be required to contact landlord or obtain access for PGW to install automatic meter reading device and/or information which assists PGW in making contact with landlord. PGW will not hold tenant responsible for landlord's actions nor exact any penalty

against tenant for landlord's actions or failure to act.

- b. Meter readings for customers without automatic meter reading devices will be scheduled for three (3) of the four (4) months from December through March and bi-monthly thereafter.
- c. PGW shall use its best efforts to obtain an actual meter reading for Customers regularly, and at least every six (6) months for Customers without automatic meter reading devices. PGW shall make reasonable efforts to schedule its meter reading labor force in order to provide meter readings during evening hours and weekends.
- d. For those months in which a meter is not scheduled for a reading or in which a scheduled reading was not obtained, PGW reserves the right to render appropriately marked ESTIMATED BILLS.
- e. PGW shall include in each bill the next regularly scheduled meter reading date. Customers shall provide PGW with regular access to the gas meter readings where access to the gas meter is possible.
- f. When a Customer unreasonably refuses to provide access to the meter for a period in excess of six months, PGW may commence termination proceedings. The "unreasonable refusal to provide access" does NOT include situations where the Customer is a lessee who is unable to provide access to the meter.

3.22 CUSTOMER READINGS

PGW will provide a telephone number which may be used by Customers, on a 24-hour basis, to report their meter readings. PGW will also provide, at the Customer's request, postage paid, pre-addressed postcards on which the Customer may note the reading of his/her meter. PGW will use the Customer's reading for billing purposes whenever said readings are appropriate. PGW may establish due dates by which such postcards or telephone calls must be received in order for a bill to be based upon the meter reading of the Customer or occupant. If the reading of a Customer is not received by that due date, PGW will estimate the quantity of usage.

3.23 SUBSTITUTION OF ESTIMATED READINGS

PGW may estimate gas consumption if extreme weather conditions, emergencies, equipment failure, work stoppage or other circumstances prevent actual meter readings. Estimates may also be rendered if PGW personnel are unable to obtain access to the meter.

3.24 ESTIMATED BILLING

Estimated bills are to be paid in accordance with standard payment terms of this Tariff. They are subject to revision when the meter reading of the Customer's actual use, later secured, discloses any difference from the estimate.

3.31 BILLING PRACTICES

- a. Except as otherwise provided in the Tariff, PGW shall render bills based on actual meter readings.
- b. PGW shall generally render a bill once every month for all residential Customers receiving gas service under the General Service rate and shall generally render a bill once every month to Customers receiving gas service under Rates MS, PHA, BPS, LBS, CG, GTS, and NGVS. PGW shall mail or deliver bills, whichever is more economical in PGW's judgment, provided that where it appears likely that a Customer will not receive a delivered bill, such bill shall be mailed.

3.32 INEXACT BILLING INTERVALS

Whenever billings are prepared for meter readings that do not cover exact one or two-month intervals, charges for gas shall be based on the following: a 16 to 45 day interval shall be billed as one month, 46 to 75 days as two months, and other intervals greater than two months shall be billed in a manner consistent with this provision. The bills will be calculated at the rate in effect on the date of reading the meter. However, where the usage covered by the bill occurred when a different base rate(s) and/or GCR was (were) in effect, the bill shall be calculated on the basis of the actual rate(s) for the period(s) covered by the bill. The term "Mcf" shall refer to 1000 cubic feet of gas and the term "Mcf" shall refer to 100 cubic feet of gas.

3.33 INITIAL BILLING INTERVALS

An initial meter reading period of 16 days and up to 45 days shall be taken as one month for billing purposes. If the initial meter reading period covers less than 16 days, the gas usage shall be included in the following month's billing.

3.34 FINAL BILLING INTERVAL

In the event that the meter reading period for a Customer's final bill shall be less than one month, it shall be taken as one month, for billing purposes.

3.35 BUDGET BILLINGS

PGW shall offer a budget billing plan to residential Customers averaging the cost of utility services over a 12-month period. Adjustments to the monthly budget amount may be made in the fourth, eighth and twelfth months of the plan and at the time of a rate change, if necessary to keep monthly payments in line with actual and/or projected charges. In any such plan, provision shall be made to revise the monthly budget when actually meter readings indicate that annual consumption will be more than 10% higher or lower than the annual budget. Changes in the budget may be made based on estimated meter readings only when there is a deviation of more than 10% from a normal 4,600 heating degree day year.

3.36 INFORMATION INCLUDED ON BILLINGS RENDERED

Every bill rendered by PGW shall include the following information:

- a. The beginning and ending dates of the billing period.
- b. Where applicable, the beginning and ending meter readings for the billing period. If a bill is estimated, it must contain a clear and conspicuous marking of the work "ESTIMATED."
- c. The amount due for service rendered during the current billing period, specifying the charge for basic service, the gas cost rate charge, and any State sales tax or other applicable tax charges.
- d. Any amount due for reconnection charges or security deposit.
- e. The total of all payments and other credits and the reason(s) for any adjustment(s) made to the account during the current billing period.
- f. The amount of any late payment charges, designated as such, which have accrued to the account of the Customer for failure to pay bills by the due date of the bill and which are authorized by these regulations.
- g. *The total amount due.*
- h. A statement directing the Customer to "register any question or complaint about the bill prior to the due date," with the address and telephone number where the Customer may initiate a review with PGW. This statement shall also advise the Customer that a summary of their rights and obligations will be provided on an annual

basis, and may be obtained at any district office of PGW.

- i. A statement at least quarter-annually informing Customers that they may report meter readings by calling a designated 24-hour telephone number and the postage paid, pre-addressed postcards for Customer self-meter readings are available upon request.
- j. A statement at least quarter-annually informing the Customer that a rate schedule, an explanation of how to verify the accuracy of a bill, and an explanation of the various charges, if applicable, is available for inspection in a PGW district office.
- k. A designation of the applicable rate schedule as denoted in the officially filed Tariff of PGW.
- l. The identification on the face of the bill of any charges other than the basic services.
- m. The next date when PGW will read the Customer's meter, and for Customers with automatic meter reading devices, the means by which the meter will be read.
- n. The due date on or before which payments must be made or the account will be delinquent, and the method of calculating finance charges.
- o. Information designed to enable the Customer to compare his/her actual usage with his/her prior usage at that address and with appropriate average usages.

3.41 PAYMENT PRACTICES

- a. Payment to a PGW district office or an authorized payment agent shall be deemed to have been made upon actual receipt of payment by the district office or payment agent. Remittances in payment of bills sent by mail, on or prior to the finance charge date, as evidenced by the United States Postal Service date stamp on the envelope in which they are received, shall be accepted as a tender of payment within such payment period.
- b. Payment of a bill for service rendered shall be made in any manner reasonable and shall include payment by personal check unless the Customer within the past year has tendered a bad check which s/he has failed to cure as provided in this regulation. As used herein, "bad check" shall mean:
 1. The Customer did not have an account with the bank at the time the check was written; or
 2. The bank refused payment on the check because of insufficient funds or a stop order.
- d. If, due to the Customer's breaking a payment agreement entered into after the initial effective date of Regulation 4.53, PGW makes a "first attempt to avoid shut off of a residential account through personal contact" pursuant to Regulation 4.24, then notwithstanding subsection (c) of this regulation, finance charges will be assessed on the outstanding balance as of the last date of payment, and the Customer will not be entitled to any further waiver of finance charges pursuant to this regulation.
- e. If a Customer receives a "make-up" bill, finance charges shall be waived upon the Customer entering into and complying with a payment agreement.
- f. Subsection (e) shall not apply if the underestimation is due to an illegal or unauthorized connection.

3.44 STATEMENT OF ACCOUNT

Non-residential and Landlord Customers requesting a Statement of Account shall be assessed a service charge, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2, except in those instances where such Customers request or are provided the Statement as part of a bill inquiry, further review, dispute, or appeal pursuant to Part 5 of these regulations.

3.51 CREDIT AND DEPOSIT STANDARDS

- a. PGW shall provide the applicant for residential service a written explanation of PGW's credit and deposit procedures and standards, in such form as shall be approved by the Commission.
- b. PGW shall require a security deposit for service unless the applicant satisfies one of the following requirements:
 1. The applicant has been a Customer of record with PGW within a period of 48 consecutive months preceding the date of the application and has had a satisfactory payment record. For the purpose of this subsection, an applicant will be deemed to have a satisfactory payment record if the final bill for prior service has been paid, unless the final bill for prior service was paid to restore service after a non-payment termination.
 2. The applicant supplies satisfactory credit references in writing from their former suppliers of utility services.
 3. The applicant provides information demonstrating that he/she is not an unsatisfactory credit risk. The absence of prior credit history does not, of itself, indicate an unsatisfactory risk. PGW may require additional employment and income information from the applicant including, but not limited to, the name of the employer of the applicant, place and length of employment, residence during the previous five years, letter of reference, credit cards, and any significant source of income other than from employment.
 4. The applicant provides a Guaranty Statement pursuant to Regulation 3.51(e).
 5. The applicant is participating in the Customer Responsibility Program.
- c. If PGW shall decline credit pursuant to this Section, written notice of the specific reason(s) for such rejection shall be given to the applicant within two business days commencing the day after the application is made. The notice shall also include:
 1. The amount of the required deposit, the method of calculation and the manner in which it can be paid.
 2. If the refusal to grant credit is based on information from a credit reporting agency, the name and address of the agency, and a statement that a copy of the credit report can be obtained by the Customer and the information in the report challenged.
 3. Any other reason for credit rejection.
 4. A description of the process by which an applicant may initiate a dispute of the Company's decision.
- d. If the Investigation and determination of credit status is not completed immediately upon receipt of the completed application, PGW shall provide written notice of this fact in writing to the applicant along with specific reasons for the delay.
- e. In lieu of a deposit, PGW shall accept for residential service an executed Guaranty Statement from any existing PGW Customer who is not then delinquent or any other creditworthy individual, group or organization. The liability of the guarantor shall be limited to the amount of the requested deposit. Payment by the guarantor may be demanded at the time when the Customer's cash deposit could have been applied to the Customer's account. The liability of the guarantor shall be released upon the same terms and conditions upon which a cash deposit must be refunded pursuant to Section 3.54.

3.52 SECURITY DEPOSITS

- a. If an applicant does not establish credit pursuant to Regulation 3.51 of this Section, PGW may require a security deposit in an amount equal to two times the average or anticipated monthly bill for service to the account for which the Customer is seeking service.
- b. The average or anticipated monthly bill for purposes of this Section shall be based on consumption during the previous 12 months or such shorter period for which PGW has records, unless the applicant can demonstrate that his/her expected usage will be substantially different from the prior occupant.
- c. If PGW determines that a deposit is required, the deposit is required, the deposit must be paid as follows. Applicants for residential service who had an unsatisfactory payment record as a prior Customer of PGW within the 48 months preceding application as provided in Regulation 3.51 (b)(1) will be required to pay 100 percent of the security deposit before service will be provided. Applicants for residential service who fail to meet one of the other criteria for exemption from the deposit requirement set forth in Regulation 3.51 (b) will be required to pay 50 percent of the deposit before service will be provided and the remaining 50 percent no later than 30 days from the date service is provided. Non-residential Customers will be required to pay 100 percent of the security deposit before service will be provided.
- d. A security deposit may be required for continued or renewed service.

3.53 SECURITY DEPOSIT FOR CONTINUED OR RENEWED SERVICE

- a. A deposit may be required for continued service when the Customer has been delinquent in the payment of any three consecutive bills or any three bills within the preceding 12 months. A deposit may be required for renewed service, where service has been terminated for any of the reasons set forth in Regulation 4.11(b)(1) through (5) or because of unauthorized usage or tampering with the meter or other utility equipment.
- b. Prior to requesting a deposit for continued service under this Section, PGW shall give the Customer written notice of its intent to request a cash deposit if current and future bills continue to be paid after the due date. The notice shall clearly indicate that a deposit is not required at this time but that if bills continue to be paid after the due date a deposit will be required. This shall set forth the address and phone number where complaints or questions may be registered.
- c. A subsequent request for deposit shall clearly indicate that a Customer should register any question or complaint prior to the date the deposit is due. The request shall also include the address and telephone number where questions or complaints may be registered.
- d. The amount of the deposit shall not exceed that specified in Regulation 3.52. The deposit shall be paid in full before service will be restored or renewed, or in the case of continued service, no later than 30 days from the date of PGW's request for the deposit.

3.54 APPLICATION AND REFUND OF SECURITY DEPOSIT

A cash deposit shall be refunded under the following conditions:

- a. Termination or discontinuance of service. Upon termination or discontinuance of service, PGW shall promptly apply the deposit of the Customer, including accrued interest, to any outstanding balance for gas service and refund the remainder to the Customer. A transfer of service from one location to another within PGW's service area shall not be considered a discontinuance within the meaning of this Section.
- b. Prompt payment of bills. After the first twelve (12) months of service, PGW shall refund any cash deposit, plus accrued interest unless the Customer's service was terminated for non-payment, or for unauthorized usage or tampering with the meter or other utility equipment during those twelve (12) months, or unless, at

the time of PGW's review, the account is delinquent or the Customer is in default under a payment agreement. If the deposit is retained, PGW shall review the Customer's account every twelfth (12th) month thereafter and refund the deposit with accrued interest when the Customer is eligible pursuant to the terms of this subsection.

- c. PGW may apply any deposit plus accrued interest to a Customer account which is ninety (90) days past due provided that PGW shall on or before the date upon which the account became sixty (60) days past due:
 1. Have notified the Customer, in writing, of the Company's intent to apply the deposit to the outstanding balance on or after said ninetieth (90th) day; and
 2. Have used reasonable efforts to contact the Customer, inform the Customer of the availability of Energy Assistance benefits and assist in completing the application when requested.
- d. When PGW applies a deposit plus interest to a Customer's account pursuant to subsection (c) of this regulation, PGW may require an additional deposit for continued or renewed service pursuant to Regulation 3.53, which shall be payable in the same manner as provided in Regulation 3.53(d).

3.55 INTEREST RATE ON SECURITY DEPOSIT

Interest for the current fiscal year shall be payable on all deposits, without deductions for any taxes thereon, at an annual rate equivalent to the net rate earned by PGW on its Temporary Investments for the previous fiscal year.

4. TERMINATION OF SERVICE

4.11 SERVICE TERMINATION

- a. Utility service to any dwelling or account may be terminated by PGW without prior notice upon PGW's knowledge or reasonable belief that termination is necessary for safety-related reasons. Such reasons shall include, but not be limited to the following:
 1. A gas leak on the Customer's premises, or other condition which the Company finds potentially hazardous, in which event gas service shall not be restored until the necessary repairs and alterations have been made.
 2. Unauthorized interference with, or diversion, or use of the utility service delivered on or about the affected dwelling or account.
 3. Installation of equipment unauthorized or prohibited by the Company.
 4. Tampering with meters or other utility equipment.
 5. An occurrence which may endanger the safety of any person, or property, or may prove harmful to the energy delivery system of the Company.
- b. Utility service to any dwelling or account may be terminated by PGW after written notification to the Customer of record for one or more of the following reasons:
 1. Nonpayment of delinquent account.
 2. Failure to post a deposit or establish credit.
 3. Failure to comply with the material terms of a settlement or payment agreement as provided for in Regulation 4.51.

4. Nonpayment of concurrent service received at a separate metering point.
5. Nonpayment for repair charges. Nonpayment for appliance purchases shall not be a basis for termination of service for residential Customers.
6. Unreasonable refusal to permit access to meter for meter reading purposes.
7. Fraud, or material misrepresentation of identity, or a misstatement as to the intended use of gas, for the purpose of obtaining utility service.
8. Unreasonable refusal to permit access to meters, service connections, and other property of PGW for the purpose of inspection, maintenance of repair.
9. Violation of any provisions specified in a service agreement between the non-residential Customer and the Company.

4.12 NON-TERMINATION PERIODS

Except in safety-related emergencies as set forth in Regulation 4.11 (a), service shall not be terminated for non-payment of charges or for any other reason during the following periods:

- a. On Friday, Saturday or Sunday.
- b. On a bank holiday or one the day preceding a bank holiday.
- c. On a holiday observed by PGW or on the day preceding such holiday. A holiday observed by PGW shall mean any day on which the district offices of PGW are closed to observe a legal holiday.
- d. On a calendar day (24 hour period) from December 1st through March 31st of the ensuing year (the "Winter Period") when the temperature is forecasted to be at or below thirty-two (32) degrees Fahrenheit according to a reputable weather service retained by PGW. This Subsection 4.12(d) shall only apply to a Residential Customer who uses gas for heating or a Residential Building heated by gas.

4.12.1 LIMITED TERMINATION DURING WINTER PERIOD

- a. Except in safety-related emergencies as set forth in Regulation 4.11(a), PGW will not terminate service during the Winter Period of any Residential Customer who uses gas for heating or a Residential Building heated by gas which contains a person who qualifies as having a "Limited Ability to Pay" or is a "Vulnerable Customer" (Limited Ability to Pay and Vulnerable Customers referred to as "Protected Customer(s)") as defined below for the reasons set forth in Regulation 4.11(b)(1-6).
 1. For the purposes of this Regulation 4.12.1, a Customer who has a Limited Ability to Pay is any Customer whose household has: an income at or below the current Adjusted Philadelphia Median Income of a Family of Four (4) (APMIFF) as adjusted by household size as described below or who can demonstrate an unexpected, significant decrease in income (such as may be caused by loss of employment) or a catastrophic increase in expenses such that the Customer is unable to pay the gas bill.

The APMIFF shall be calculated in the same matter as used by the U.S. Department of Housing and Urban Development (HUD) when estimating median family income for use in determining eligibility of applicants for HUD's assisted housing programs. The APMIFF will be determined by multiplying the Median Family Income of Philadelphia County (as defined from time-to-time by the U.S. Census Bureau) by the Income Adjustment Factor as used by HUD in calculating the Median Family Income for the Philadelphia PA-NJ Primary Metropolitan Statistical Area. The resulting APMIFF will be adjusted by Household Adjustments Factors established by the Commission.

2. For the purposes of this Regulation 4.12.1, a Vulnerable Customer is any household in which there are Residents who:
 - (i) are age twelve (12) or under or age sixty-five (65) or older; or
 - (ii) have a severe medical condition documented in accordance with Regulation 4.31(b) or who are physically or mentally disabled to an extent that would preclude or severely restrict the ability to remedy the situation in the event of service termination; or
 - (iii) notify PGW that the Customer of record is unable to manage his or her own affairs under Regulation 4.26 of this tariff.
 3. For the purposes of this Regulation 4.12.1, notwithstanding the provision of Regulation 1.4(a)(i), the term "Residential Customer" shall include any person whose dwelling unit in a residential building is provided gas heating service pursuant to an oral or written lease, but whose landlord is responsible for payment for such gas heating service.
- b. A Customer shall be presumed to qualify as having a Limited Ability to Pay and entitled to protection from service termination during the Winter Period if PGW records reflect, or the Customer can demonstrate, any of the following:
1. Current participation, or record of prior participation within the past four (4) years, in any of the following programs; Limited Service; UESF full service pilot; 5%2%: Energy Assurance Program; or Customer Responsibility Program ("CRP).
 2. Receipt by the Customer of any energy assistance grants, such as LIHEAP grants or UESF grants within the last four (4) years.
 3. A Current Department of Public Welfare identification number for the Customer.
 4. Current holder of a HUD Section 8 certificate or lease.
- c. In order to ensure that Protected Customers do not have service terminated during the Winter Period, PGW will carry out the following procedures prior to any termination of residential heating service for the reasons set forth in Regulation 4.11(b)(1-6), in addition to all of the procedures set forth in this Regulation 4, "Termination of Service":
1. In each mailed or delivered notice regarding termination and in each telephone or in person contact regarding termination, PGW will clearly inform the customer that termination can be avoided during the Winter Period if the customer qualifies as a Protected Customer or if someone who resides in the building so qualifies. If a claim of protected customer status is made by a Customer of record, PGW will mail or deliver to the customer a verification form and Customer shall complete and return the form within thirty (30) days of mailing or delivery by PGW during which time termination proceedings will be suspended. If a claim of protected customer status is made by any person on behalf of some person who is not a Customer of record but is residing in the building, PGW will mail or deliver a verification form to the resident. The resident shall complete and return the form within thirty (30) days of mailing or delivery by PGW during which time termination proceedings will be suspended.
 - (i) The Verification Form, as approved by the Commission, will request information and the attachment of documentation to confirm Protected Customer status. The Customer will be informed that assistance in completing the form is available at PGW district offices, or, for disabled Customers, in the Customer's home.
 - (ii) If the completed Verification Form is not returned within thirty (30) days, or if the form is returned but does not satisfactorily document Protected Customer status, termination

proceedings will resume, PGW will promptly notify the Customer of the deficiency. In all contacts with the Customer PGW will remind the Customer that in the absence of a properly completed Verification Form the Termination process will proceed and PGW will inform the Customer of available assistance in completing the form.

2. In any termination notice delivered to a Customer pursuant to this Regulation or at the time of personal contact, PGW shall inform the Customer of his or her right to dispute his or her bill pursuant to Regulation 5 of this Tariff, "Inquiry, Review, Dispute and Appeal Process" or the right to contact the Commission to dispute the termination.
 3. Within fifteen (15) days prior to filing of the Request to Terminate Service for Non-Payment PGW shall have actually made a personal contact with a responsible member of the Customer's household or when the Customer is a Landlord, the Landlord or a responsible employee of the Landlord. This requirement may be met as part of compliance with Regulation 4.24 and/or 4.25.
 4. At such time as PGW may serve pre-termination notices to tenants under Regulations 4.65 and 4.66 of the Tariff, PGW shall also serve on tenants (either in the same document or by separate document) notice of their rights under Regulation 4.12.1.
- d. In order to further ensure that Customers will not have service terminated improperly during the Winter Period, service will be terminated during the Winter Period for the reasons set forth in Regulation 4.11(b)(1-6) only if approved by the Commission, or the Commission's designee.
1. In order to schedule a termination for non-payment during the Winter Period, PGW must file a "Request To Terminate Service For Non-Payment" for approval by the Commission, or the Commission's designee, providing on the same day as service on the Commission one (1) copy of the complete filing accompanied by a Verification Form (if a completed Verification Form is not contained in the Customer's file) to the Customer along with literature on the Customer's rights and obligations by first class United States Mail and same day or overnight courier service with no signature required.
 2. PGW's Request to Terminate Service for Non-Payment will consist of a signed statement by a Vice President responsible for the Collections Department, or in his or her absence the Vice President's superior, indicating that the application to the Commission has been reviewed and the termination personally approved by the Vice President. The contents of the Request To Terminate Service for Non-Payment shall include the following Customer account information:
 - (i) Name, address, telephone number, Social Security Number of Customer and address of Residential Building where service is to be terminated;
 - (ii) Certification by PGW that a Verification Form was not requested by Customer, returned by Customer or the returned form did not support the claim of Protected Customer status. A copy of any returned form is to be attached;
 - (iii) A certification that PGW records do not contain any documentation indicating that the Customer is qualified as a Protected Customer pursuant to Regulation 4.12.1(b);
 - (iv) Payment history for the previous twelve (12) months;
 - (v) Amount and aging of the receivable;
 - (vi) A history documenting all collection activity undertaken prior to the filing of the request;
 - (vii) A credit report that is not more than 30 days old;
 - (viii) Current available listing of all known real estate held by Customer within the City of Philadelphia, with real estate tax assessment information (if Customer is an owner of real

estate);

- (ix) Documentation detailing the contact(s) which have been made and attempted with the Customer including, but not limited to; form of contact, the date of contact, person contacted and the relationship to the Customer (if known), person making contact and title, summary of the conversations, attempts made to arrange payment and notices and literature provided;
 - (x) Listing of the known residents of the residential building as described in Regulation 2.1(e) and relationship to the Customer, if known.
 - (xi) Certification that PGW has complied with all applicable Tariff requirements and applicable Commission Orders. This shall include but not be limited to PGW's compliance with Regulation 4.63.
 - (xii) A meter reading which has been taken within three (3) months of date of filing with the Commission. In lieu of meter reading, evidence of attempted meter readings may be submitted including the record of the dates and times, names of meter readers and reason why reading was not taken;
 - (xiii) Certification that all tenants have been served appropriate notice in accordance with the Pennsylvania Utility Service Tenants Rights Act and in accordance with this Regulation 4.12.1.
 - (xiv) Certification that, to the best knowledge of PGW, no Protected Customer resides in the Residential Building being terminated.
 - (xv) Any other information as the Commission may, from time to time, require.
3. The Commission, or the Commission's designee, shall review the Request To Terminate Service For Non-Payment to verify PGW's compliance with tariff sections relating to collection activity from the Customer. As part of this review, any investigation or Customer contact deemed desirable may be undertaken as well as attempts to facilitate a payment agreement between PGW and Customer.
- (i) If a Customer disputes the information contained in the Request to Terminate Service for Non-Payment, the Customer must notify and supply correct information to the office of the Commission, or the Commission's designee, in writing within six (6) business days after the Request To Terminate Service For Non-Payment is sent by PGW. Customers who are unable to respond in writing may, within six (6) business days of mailing the Request To Terminate Service For Non-Payment, seek assistance in documenting their dispute from the Commission, or the Commission's designee.
 - (ii) If a Customer disputes PGW's compliance with the termination process or procedures, the Customer must notify the Commission and supply supporting evidence to the office of the Commission, or the Commission's designee, in writing within six (6) business days of mailing the Request To Terminate Service For Non-Payment, seek assistance in documenting their dispute from the Commission, or the Commission's designee.
 - (iii) The Commission, or the Commission's designee, shall review all information submitted by the Customer, may request any additional information that may be helpful from the Customer and/or PGW, and decide whether the process shall continue or be sent back to PGW for additional action before resubmission.
 - (iv) The decision of the Commission, or the Commission's designee, on the matters set forth in (i) (ii) and (iii) above shall be final.

4. The Commission, or the Commission's designee, shall promptly (but in no event later than fifteen (15) business days of the submission of the request) approve or deny the request or refer the matter back to PGW for further consideration and resubmission and shall send notification thereof to PGW and the Customer. In the event the Commission, or the Commission's designee, fails to act within such fifteen (15) business days, the Request to Terminate Service shall be deemed to be granted. The decision of the Commission, or the Commission's designee, to approve, deny or refer the matter back to PGW for further consideration and resubmission shall be final.
 5. Upon approval of the Request To Terminate Service For Non-Payment, PGW may schedule and terminate service of the account in conformity with the provisions of Regulation 4.12.
- e. Notwithstanding Regulation 4.13 - SERVICE RESTORATION, in the event that any Customer's service is improperly terminated during the Winter Period, PGW shall restore service within twelve (12) hours of the Customer's request.

4.13 SERVICE RESTORATION

- a. Except as limited by subsections (b) and (e), service will be restored to residential Customers by the end of the next full working day upon:
 1. Payment of the entire outstanding balance, or
 2. Entry into a payment agreement as provided in these Regulations (including enrollment in the Customer Responsibility Program as set forth in Regulation 4.50), or
 3. Otherwise removing the reason for termination.
- b. If restoration has been attempted under subsection (a) but has not been completed or cannot be scheduled within the time frame set forth in subsection (a) because the Customers are not at home, because excavation or repairs are required, or because of any other conditions beyond PGW's control, PGW shall restore service as soon as it is operationally possible.
- c. For purposes of this regulation, service restoration will be done Monday through Sunday.
- d. If an account, while under further review by PGW or on appeal to the Commission, or for any other reason, is improperly terminated, service to such account shall be restored within 24 hours of PGW's or the Commission's determination that such termination was improper, subject only to the priority for leak calls and other essential public safety work set forth in subsection (e).
- e. Restoration work will be given priority, second only to leak call responses and other types of work essential to public safety, but equal to new service turn-ons and, from November 1 through April 1, service calls for furnaces under PGW's Parts and Labor Plans.
- f. In connection with Regulation 4.12(d), during the period November 1st to November 30th, PGW will conduct a survey of those accounts terminated pursuant to Regulation 4.11 (b)(1-7) within the preceding twelve month period where service is still off. Said off accounts survey shall be filed with the Commission as soon as possible after completion as a part of a regular reporting cycle. At the time of such contact, PGW's representatives will provide information regarding various energy assistance grants and payment agreement options available which can assist in having service restored to the household.

4.21 NOTICE OF PAST DUE ACCOUNT

Prior to initiating termination proceedings for a Residential gas account, PGW shall send a "reminder notice" to a Customer advising that his/her account is overdue. This notice, which will be mailed five (5) to seven (7) days after the customer's due date, shall advise the customer that his/her bill is seven (7) or more days now overdue and explaining options available to the

Customer, the exercise of which may help him/her avoid the loss of gas service. The notice shall contain information about energy assistance grants, weatherization/conservation programs, and payment agreement plans for which the Customer may be eligible. The notice shall encourage the Customer to call or visit PGW for further information, including information about agencies which might be able to offer assistance. Finally, the notice shall advise the Customer of his/her rights and that failure to take positive action to eliminate the grounds for the proposed termination might result in termination proceedings being initiated within seven (7) days.

Prior to terminating Non-Residential, Non-Landlord gas service for one or more reasons stated in Regulation 4.11(b), PGW shall notify the Customer in writing of the delinquent bill and inform the Customer that if the balance is not paid or the grounds for the proposed termination eliminated, gas service may be discontinued in seven (7) days. PGW may institute a reasonable charge for such non-residential collection attempts.

4.22 NOTICE OF TERMINATION

Seven (7) days after the transmittal of the reminder notice and prior to terminating residential gas service for one or more reasons stated in Regulation 4.11(b). PGW shall mail or deliver to the Customer an initial termination notice. This notice shall contain:

- a. A proposed date of termination no less than fourteen (14) days from the date of the initial notice.
- b. A clear and concise statement of the reason for the proposed termination with a citation to the specific subsection of Regulation 4.11 that authorizes the termination.
- c. A statement of the amounts past due, if any.
- d. The reconnection charge(s) that must be paid prior to restoration of service.
- e. Notification to the Customer that termination proceedings which could lead to shut off have begun and will continue if the Customer has failed to:
 1. Pay the delinquent bill in full, or
 2. Arrange a satisfactory written payment agreement, such agreement to be confirmed in writing, or
 3. Otherwise eliminate the grounds for the proposed termination, or
 4. Initiate a dispute with PGW.
- f. A brief statement of the procedure to be followed if the Customer disputes the bill or any other reason for the termination.
- g. An explanation of the procedure to be followed by the residential Customer in the event a medical emergency or condition exists which may be aggravated by the termination of service. (See Regulation 4.31 Emergency Procedure).
- h. The locations and business hours of PGW's district offices.
- i. The phone number to call for further information and/or explanation of the Customer's rights.
- j. A clear and concise statement that tenants are entitled to certain statutory protection which could result in the suspension of termination proceedings and that they should contact PGW at a designated number for an explanation of their rights and under the Utility Services Tenants' Rights Act.

4.23 (This number not currently in use).

4.24 FIRST ATTEMPT TO AVOID SHUT OFF OF A RESIDENTIAL ACCOUNT THROUGH PERSONAL CONTACT

- a. At least seven (7) days after the initial termination notice required by Regulation 4.22 is mailed or delivered by PGW to the Customer, and at least seventy-two (72) hours prior to the scheduled date of termination, PGW will attempt to make personal contact with the Customer either by making at least two (2) attempts to notify the Customer, by telephone or by visit to the property, if his/her options to avoid termination of service, if the Customer:
 1. Has not eliminated the grounds for the proposed termination, or
 2. Has not shown the existence of a medical emergency or condition, or
 3. Has not initiated a dispute with PGW, pursuant to Part 5 of these Regulations, or
 4. Has not filed an appeal to the Commission.
- b. If contact is made by telephone or by visit to the property, PGW's representative will:
 1. Attempt to ascertain if subsections (a) (1-4) are applicable.
 2. Advise the Customer of the information set forth in Regulation 4.21 and,
 3. Further advise that if s/he fails to act, gas service will be shut off.

4.25 SECOND ATTEMPT TO AVOID SHUT OFF OF A RESIDENTIAL ACCOUNT THROUGH PERSONAL CONTACT

- a. At least fourteen (14) days after the initial termination notice required by Regulation 4.22 has been mailed or delivered and after PGW has complied with Regulation 4.24, a second attempt to make personal contact with the Customer at the service address shall occur. PGW shall provide personal contact with the Customer at the service address shall occur. PGW shall provide information on how shut off can be avoided by explaining any payment agreement available to the Customer and advising that entering such an agreement will suspend the termination process.
- b. In the event that the Customer fails to enter into a payment agreement and PGW is satisfied that no grounds exist to suspend the termination process, service shall be terminated pursuant to Regulation 4.11(b).
- c. In the event that no prior personal contact was made with the Customer and no responsible adult responds at the service address to the personal contact attempted pursuant to this regulation, PGW shall conspicuously post a notice advising that service will be terminated not less than 24 hours and not more than 96 hours from the time and date of posting. The notice shall include information on how shut off may be avoided.

4.26 THIRD PARTY DESIGNATION

PGW shall permit its residential Customers to designate a consenting individual or agency which is to be sent, by PGW, a duplicate copy of all termination notices mailed to the Customer. If the third party contacts PGW, PGW shall advise the third party of the pending action and the efforts which must be taken to avoid termination.

4.27 ADDITIONAL NOTICE OF TERMINATION

- a. In the event that more than ten (10) business days elapse from the date PGW is permitted to terminate residential service pursuant to these Regulations, and PGW has not terminated the Customer's service, then

PGW must provide an additional notice of the pending termination before it can effect termination.

- b. PGW shall provide this additional notice of termination by personal contact with the Customer, either by telephone or by a visit to the property.
 1. If no contact has been made by telephone, PGW shall attempt to make personal contact by visiting the property.
 2. If no personal contact is made at the time of the visit to the property, and no prior contact was made with the Customer pursuant to this regulation, PGW shall conspicuously post at the property the additional notice of termination required by this regulation.
- c. An additional notice of termination required by this regulation shall clearly inform the Customer that service will be terminated no sooner than 72 hours from the time and date the additional notice was provided, whether by telephone, visit to the property or posting of the notice.
- d. This regulation does not apply in the following circumstances:
 1. If the presence of multiple meters at the property to be terminated makes it impractical for PGW to gain access to the meter to be disconnected; or
 2. If no prior personal contact has been made with the Customer despite attempts; and access to the meter to be disconnected is unavailable; and no curb-box exists to permit termination of service without excavation.

4.28 FIELD COLLECTION CHARGE

When PGW makes a field visit at the service address, pursuant to Regulations 4.24 or 4.25, PGW will assess a field collection charge, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2. This charge shall only apply in the event that actual personal contact has been previously made, either by telephone or by a prior field visit.

4.29 LIMITATION ON USE OF TERMINATION NOTICE

PGW shall not threaten to terminate service when it has no present intent to do so or when actual termination is prohibited by law, by the Regulations in this Tariff or by Commission order. Notice of the intent to terminate service shall be used only as a warning that service may in fact be terminated in accordance with the procedures set forth in the Tariff, unless the Customer, Resident, or Tenant remedies the situation which gave rise to PGW's termination proceedings.

4.31 MEDICAL EMERGENCY PROCEDURES

- a. PGW shall suspend termination of residential service upon telephonic or other notification by a customer or qualified health care provider that the termination of service will aggravate an existing severe medical condition of any person who is a resident of the premises where service is rendered.

The existence of the medical condition must then be certified to PGW by a qualified health care provider within seven (7) days of the telephone call or other notification. If no written certification is provided to PGW within seven (7) days, or if the written certification is obviously fraudulent, PGW may resume the termination process.

PGW may, but is not required to, restore residential service based upon telephonic notification of the existence of such a medical condition. Notwithstanding Regulation 4.13, unless prevented by the need to respond to leak calls or other types of work essential to public safety, PGW shall restore residential service within four (4) hours upon written certification of the medical emergency in accordance with this regulation, unless the certification is obviously fraudulent.

- b. Written certification of a medical emergency, which may be on a Gas Commission-approved Medical Emergency Form supplied by PGW or in a Letter completed in accordance with PGW's written instructions on a licensed doctor's or health care facility's professional letterhead, must be signed by the health care provider and must include the name of the ill person; a statement that s/he is a resident of the premises in question; the name, business address, telephone number, licensing state and license number of the certifying doctor, or license, permit, certificate, or registration number of a health care professional licensed or registered by the Commonwealth of Pennsylvania; and the period of time during which termination of gas service will aggravate the condition.

Forms and Letters may be completed by someone other than a licensed doctor but must be signed either by a licensed doctor or his/her authorized designee. The certifying health care provider must be either a licensed doctor or a licensed or registered health care professional working in the doctor's office, practice, clinic, or hospital, who must be authorized to make such certification. The certifying health care provider must have diagnosed or treated the affected person for or in connection with the medical condition being certified.

A licensed doctor is a practicing physician with an M.D. or D.O. and a current license from any state in the United States. A licensed or registered health care professional is an individual, other than a physician, who is authorized to practice some component of the healing arts by a license, permit, certificate or registration issued by a Commonwealth of Pennsylvania licensing agency or board.

- c. PGW may reject a Medical Emergency certification if its investigation to verify the information on the Form or Letter reveals that (a) the certification and/or the certifying signature is/are fraudulent or unauthorized; (b) the certifying health care provider or licensed doctor is fictitious; or (c) the ill person is not a resident of the customer's premises.

PGW may also reject a certification if it would exceed the maximum number of certifications permissible for the customer and/or the household for which medical emergency protection is sought, as set forth in the following section (d). Customers whose medical certification request is rejected because it exceeds the maximum number permissible must be notified by PGW of their right to dispute PGW's rejection or request an exception from PGW's Customer Review Unit in accordance with Regulation 5.6.

PGW has the right to verify that the person whose medical emergency is being certified is a resident of the premises where the gas service is being provided. PGW shall rely on the health care provider's certification of residency, unless PGW has good cause to challenge its accuracy, in which case PGW may rely on other sufficient documentation to establish residency. The fact that the premises where service is being provided is not the permanent or customary residence of the ill person does not in and of itself establish that s/he is not a resident of the premises in question.

Based on review of the certification and the results of any verification investigation PGW decides is necessary, PGW will make a decision whether to accept or reject each Form or Letter, or whether additional information must be supplied because the Form or Letter is incomplete. This decision will be immediately communicated to the customer or his/her designee orally. If PGW rejects the certification or is requesting additional information, PGW will also communicate this decision to the customer or his/her designee in writing within four (4) working hours (when service is off) or by the end of the next business day (when service is still on). A customer will be given five (5) business days within which to provide the additional information needed to complete the medical emergency certification; failure to do so within this time frame subjects the customer to resumption of the termination process. PGW's written rejection of a medical certification shall include a statement of the customer's right to dispute PGW's decision to PGW's Customer Review Unit (CRU) in accordance with Regulation 5.1(A)(2), and to request an informal hearing from the CRU where service is off in accordance with Regulation 5.1(B)(3).

If PGW has attempted to but has been unable to contact the certifying health care provider to verify the information on the Form or Letter, and has therefore been unable to obtain verification by the conclusion of the initial thirty (30) day period, it need not accept a renewal certification from that same authorized signer for that same patient.

- d. A customer may obtain the protections of this regulation for him or herself and his/her household for a maximum of two medical certifications totaling a maximum of seventy-four (74) calendar days within any twelve (12) month period, as follows:
- (i) One seven (7) day preliminary hold plus initial thirty (30) day certification period (thirty-seven (37) days), or
 - (ii) One seven (7) day preliminary hold plus initial thirty (30) day certification period plus thirty (30) day renewal period (sixty-seven (67) days), or
 - (iii) One seven (7) day preliminary hold plus initial thirty (30) day certification, followed at a later time by a separate seven (7) day preliminary hold plus initial thirty (30) day certification period (seventy-four (74) days).

A customer's eligibility for medical protection shall be determined by ascertaining whether the customer already had more than one (1) full thirty (30) day period of protection (excluding any seven (7) day preliminary holds) within the eleven (11) months immediately prior to the date of the request for medical protection.

Any days of protection from termination during the winter limited termination period granted pursuant to Regulation 4.12.1(b)(2)(ii) for a severe medical condition documented in accordance with this regulation will be counted against the seventy-four (74) day maximum.

The first or a subsequent initial thirty (30) day certification may be used to suspend termination of service or restore service. A thirty (30) day renewal certification may be used to further suspend termination of service or continue service which was restored based on the initial certification.

- e. If, by the expiration of the initial thirty (30) certification period, the customer has failed to enter into a payment agreement with PGW for payment of the undisputed, unpaid account balance, and has also failed to obtain a thirty (30) day renewal of the certification by providing another Medical Emergency Form or Letter to PGW, PGW has the right to continue the termination process.
- f. A Medical Emergency Certification may not be used to initiate service for a new customer.
- (ii) PGW will transfer active service from one address to another while a Medical Emergency is pending under the following conditions:
 - a. The application for service at the transfer address must be completed pursuant to Regulation 2.1.
 - b. Requests for transfer of service may be made during the seven (7) day preliminary hold period, the initial thirty (30) day certification period, or the renewal thirty (30) day certification period. While the customer is encouraged to enter into a payment agreement for the undisputed, unpaid account balance within the initial thirty (30) day period, should s/he not do so but instead obtain a timely renewal of the Medical Emergency certification, transfer of service may not be denied solely because no agreement has been entered into. Requests for transfer of service during the renewal thirty (30) day period will be approved only for customers who have entered into a payment agreement for the undisputed, unpaid account balance; failure of the customer to make the required downpayment on or before the last day of the renewal thirty (30) day period (or such later date as PGW may agree to) subjects the customer to resumption of the service termination process.
- g. This regulation applies to all residents of the affected premises, including tenants whose landlord is PGW's customer and whose service has already been or is threatened to be terminated pursuant to the Utility Service Tenants Rights Act (USTRA), 68 P.S. §399.1 et seq. The maximum number of certifications that may be obtained within a given time frame and for what purpose set forth in Regulation 4.31(d) apply equally to the customer in the USTRA situation -- that is, the combined

occupants are treated as the residents of the customer's premises. The payment agreement which must be entered into pursuant to this regulation may be either a payment agreement with the landlord customer or payment by the tenant(s) of the bill for the preceding thirty (30) day period as set forth in USTRA, subject to the one (1) month's rent maximum for the initial payment set forth in Regulation 4.66(b).

- h. This regulation does not apply in situations where the termination is/was for tampering with meters or other utility equipment or any other safety-related reason set forth in Regulation 4.11(a). However, termination of service will be suspended for seven (7) days based upon the existence of a serious medical condition of a resident of the affected premises where the termination is for "unauthorized usage" (i.e., service had not been physically discontinued or terminated by or for the previous customer of record, and the recipient of service has not tampered with the meter or equipment, but has received service without applying to be or without completing an application to be the customer of record). During this seven (7) day preliminary hold period, the recipient of service must initiate and satisfactorily complete an application to become the customer of record, or satisfactorily complete an existing partial or pending application, in order to be eligible for an initial thirty (30) day certification period.

Service which was terminated for "unauthorized usage" will not be restored based upon the existence of a serious medical condition of a resident of the affected premises until the recipient of service has satisfactorily completed an application for service.

- i. Customer requests for exceptions to the provisions of this regulation will be handled by PGW's Customer Review Unit. CRU's decision will be communicated in writing to the customer and is appealable to the Commission in accordance with Part 5 of this Tariff

4.47 OVERPAYMENTS

- a. Any amounts determined to have been overpaid by the Customer shall be credited to the Customer's account. PGW will advise the Customer of the existence of the credit and of the opportunity to request a refund. Upon the Customer's request refund will be made, except to the extent that the overpayment results from a government energy assistance grant.
- b. Any such amount which has not been credited or refunded within thirty (30) days after discovery shall thereafter bear interest at the rate of 1-1/4% per month.

4.50 CUSTOMER RESPONSIBILITY PROGRAM (CRP)

1. DEFINITIONS:

- A. The "Customer Responsibility Program" (or Program) is a low-income customer assistance program as described at Section 4.50.
- B. A "Customer Responsibility Participant" (or Participant) means a Philadelphia Gas Works' residential customer who enrolls in the Customer Responsibility Program.
- C. "Customer Responsibility Cash Payment" is a combination of obligations as described in Section 4.50.4 generally including a percentage of income and an excess usage adjustment with the total constrained by a maximum and a minimum payment.
- D. "Gross Annual Income" is the Participant's household income as defined by the Low Income Home Energy Assistance Program (LIHEAP).
- E. "Arrearage" means the outstanding receivable on the Participant's bill.

- F. "Responsibility" means the requirements that the Participant must meet to remain in good standing in the Customer Responsibility Program as defined at Section 4.50.3.
- G. "Property Based Class Average Usage" (or Class Average Usage) is the average usage for a particular building or residence type as established periodically by PGW or by Commission order. This measure shall always be applied on a weather adjusted basis.
- H. "Energy Assurance Program" (or EAP) is a low-income customer assistance program previously offered by PGW.

2. ELIGIBILITY AND ENROLLMENT

- A. A customer shall be deemed eligible for the Customer Responsibility Program if it is determined at the time of application (or recertification) that the customer's household's Gross Annual Income is at or below 150% of the federal poverty level.
 - 1. A customer may demonstrate eligibility by submitting a written notice of eligibility for LIHEAP benefits within the previous year or LIHEAP application period whichever is more recent.
 - 2. If a customer is unable to provide the documentation described in Section 4.50.2(A) 1 above (i.e. the customer was not eligible for LIHEAP in the previous period, LIHEAP is not currently open and/or the customer had not previously applied for LIHEAP). PGW shall determine eligibility by having the customer complete the most current LIHEAP application. The customer shall provide all documentation necessary for PGW to determine the household Gross Annual Income.
- B. Existing EAP customers shall be automatically transferred into the Customer Responsibility Program as of the effective date of the Program.
 - 1. PGW shall notify existing EAP customers at least two (2) weeks prior to the effective date of the change.
 - 2. Within sixty (60) days of notification, existing EAP customers will be required to visit PGW's offices to receive an in-person explanation of the Customer Responsibility Program.
 - a. Failure to comply with the personal meeting requirement shall be grounds for suspension after appropriate notice described at Section 4.50.11.
 - 3. The EAP customer may elect not to participate in the Customer Responsibility Program and revert to being a full paying GS customer.
- C. Prior to admission or re-admission to the Customer Responsibility Program, a Participant must pay 5% of his or her Arrearage.
 - 1. Existing EAP customers who are converted to the Customer Responsibility Program shall have this provision waived.
- D. Enrollment shall be ongoing and open year-round.

3. PARTICIPANTS' RESPONSIBILITIES

- A. Participants shall meet the following Responsibilities:
 - 1. A Participant shall keep current with Customer Responsibility Cash Payments.
 - 2. A Participant shall apply for and assign to PGW energy assistance grant(s) in a timely manner as described in Section 4.50.5.

- a. In cases where grant program(s) are open for application at the time of initial certification or recertification the Participant shall submit proof that application for and assignment of the grant has been made.
 - b. In cases where grant program(s) are not open for application, the Participant must agree to apply for the appropriate grant(s) within twenty-one (21) days of grant program(s) opening for applications.
3. A Participant shall recertify annually based upon the Participant's anniversary date of initial enrollment or re-admission to the Program, whichever is later as described at Section 4.50.8.
 4. Participants must take the necessary actions to participate in PGW's and other weatherization programs identified for the Participant by PGW as described at Section 4.50.7.
 5. Participants must allow for the installation of automatic meter reading devices in accordance with Section 3.21.
 6. Participants shall be responsible for seeking assistance and guidance from PGW, in accordance with Section 5.6, in the event that the Participant is unable to meet his or her Responsibilities.

4. CUSTOMER RESPONSIBILITY CASH PAYMENTS

- A. Participants shall pay one-twelfth of 7.35% of Gross Annual Income each month or the full gas bill plus 2% of the Participant's starting Arrearage per month, whichever is elected by the Participant.
 1. Election will be determined annually by the Participant upon enrollment, readmission or recertification.
 2. Participants who are income ineligible for both LIHEAP CASH and CRISIS fuel grants shall be permitted to select only the budget plus 2% of arrears Customer Responsibility Cash Payment Option. Customers with no pre-program arrears will be required to pay only the budget option.
 3. Such participants shall pay the budget bill only if no arrears exist.
- B. Participants will be required to pay an excess usage charge as detailed at Section 4.50.7(B).
- C. The Participant will not be required to pay a total cash payment in excess of 12% of the household's Gross Annual Income, regardless of the payment option selected or required by Section 4.50.4(A).
- D. A minimum bill of \$30 will be required from every Participant.
 1. This Section supersedes the requirement of a 12% maximum should the two provisions be inconsistent in a particular case.
- E. If a Participant is a recipient of a PHA utility allowance, the Participant will be required to pay the gas portion of the allowance or the Customer Responsibility Cash Payment as defined in Section 4.50.4(A)2. Customers with no pre-program arrears will be required to pay only the budget option.

5. GRANT ASSIGNMENT

- A. All Customer Responsibility Participants must agree to apply for and assign at least one energy assistance grant to PGW annually. Participants who are not income eligible for fuel grants are required to take the budget plus 2% of arrears payment option as outlined in section 4.50.4(A)2. Customers with no pre-program

arrears will be required to pay only the budget option.

- B. Any *Customer Responsibility Participant* with an Arrearage who is also eligible for CRISIS is required to apply for CRIS and assign the grant to PGW.
 - 1. The Participant must apply within twenty-one (21) days of the opening of the CRISIS program.
 - 2. This requirement shall continue until the Arrearage is paid-off and/or forgiven (see Section 4.50.6).
- C. Any Participant not eligible for CRISIS must apply for LIHEAP within twenty-one (21) days of its opening and assign the grant to PGW.
 - 1. LIHEAP shall not be used as an offset against current *Customer Responsibility Cash Payment* obligations except as defined in Section 4.50.7(E).
- D. PGW shall notify all Participants of the opening dates for grant programs at least two weeks prior to the program's opening.

6. ARREARAGE RETIREMENT AND FORGIVENESS

- A. Arreages shall be initially retired by Participants through the 5% of Arrearage payment upon admission or readmission to the Program and then by CRISIS payments or other payments if CRISIS is not generally available.
 - 1. A Participant may use all or part of CRISIS as a payment towards the 5% of arrearage payment as required in the section. However, the Participant must contribute the full amount of the CRISIS grant to PGW as a condition of participating in the program. Failure to make this level of a grant assignment is grounds for Program suspension and possible service termination.
- B. Forgiveness of Arreages will be available as follows:
 - 1. If after the Participant makes CRISIS contributions and/or 2% per month towards Arrearage payments which combine to five separate years of arrearage retirement and an arrearage still exists, forgiveness shall be earned equal to the current CRISIS payment and/or the Participant's cash payment towards the Arrearage, starting with the sixth year, until the debt is retired.
 - 2. In cases where within five years the Participant is no longer eligible for CRISIS because the remaining Arrearage is too small and the Participant is not required to make a payment of 2% of arrears, then forgiveness shall be earned after at least three years of successful Program participation at the rate of 20% per year of the remaining debt, assuming that all other Responsibilities are met.
 - 3. In cases where the customer retires all of the outstanding arrearage before the end of the fifth year as in subsection 1 or before the end of the third year as in subsection 2, no forgiveness will be earned.
- C. *Customer Responsibility Participants* will be required to participate in the Conservation Works Program (CWP), or successor conservation programs, to the degree that it is offered by PGW.
 - 1. Tenants shall be required to work with PGW to seek landlord consent for these weatherization programs. Failure to receive landlord consent shall not be grounds for suspension from the Program.
- D. Participants will be required to apply for other eligible weatherization services offered by agencies such as Philadelphia Housing Authority Development Corporation's Weatherization Assistance Program and Basic Systems Repair Program as identified for the Participant by PGW.

1. Tenants shall be required to work with PGW to seek landlord consent for these programs. Failure to receive landlord consent shall not be grounds for suspension from the Program.
- E. As a conservation incentive, LIHEAP payments received will be accepted in lieu of cash payments according to the following schedule.
 1. When LIHEAP is assigned to PGW by the Participant, the following provision shall apply:
 - a. Usage less than or equal to 90% of Property Based Class Average Usage: \$40 of LIHEAP may be used as an offset against current cash payments. If the total value of the LIHEAP grant is less than \$40, then the Participant will receive an offset equal to the LIHEAP grant amount.
- F. Arrearage forgiveness will only be available to customers who limit consumption to 90% of Property Based Class Average Usage.
- G. Participants whose consumption remains above Property Based Class Average Usage may be required to attend annual conservation education sessions provided by PGW or its designees.

8. RECERTIFICATION

- A. PGW shall notify in writing each Participant thirty (30) to forty-five (45) days prior to the Participant's anniversary date of the Participant's responsibility to recertify.
 1. This notice shall instruct the Participant how to recertify.
 2. This notice shall indicate that the Participant must recertify at least one (1) week prior to the Participant's anniversary date.
 3. Participants who are in full compliance with the Program's responsibilities will be allowed to recertify by mail.
 4. All Participants who are not eligible for mail in recertification must receive program counseling as part of the recertification process.
- B. At recertification, PGW will notify the Participant of the applicable Property Based Class Average Usage.
- C. At recertification, the Participant will be able to elect whether to pay one-twelfth of 7.35% of gross annual income or total GS bill plus 2% of Arrearage monthly, except as required by Section 4.50.4(A)(2).
- D. A Participant may request that his or her cash payment obligation be changed at any time if:
 1. The Participant can demonstrate that his or her Customer Responsibility Cash Payment is more than 12% of Gross Annual Income, or
 2. The Participant can demonstrate that the percentage of income portion of the Customer Responsibility Cash Payment has changed by at least 20% due to change in income, or
 3. The Participant can demonstrate that the percentage of income calculation is producing more than the gas bill as calculated under Rate GS plus 2% of the remaining Arrearage.
 4. PGW shall adjust the payments due if any of the above circumstances is demonstrated.
- E. The Customer Responsibility Program shall be open year round for recertification.

9. DEFAULTS AND SATISFACTION OF DEFAULTED RESPONSIBILITIES

- A. a Participant shall be found in default of his or her Responsibilities if:
1. A Participant falls behind by two (2) Customer Responsibility Cash Payments see Section 4.50.4), or
 2. A Participant fails to meet the Responsibilities listed at Sections 4.50.3(A)(2) through (5).
- B. A Participant may satisfy his or her defaults by:
1. Paying all unpaid cash payments currently due within forty-five (45) days of PGW's initial attempt to notify the Participant of the default, or
 2. Meeting the Responsibility associated with default of the provisions at Section 4.50.3(A)(2) through (5).
 - a. If the default is satisfied within forty-five (45) days of PGW sending the Participant initial notice of the default the suspension from the Program shall be avoided.
 - b. If satisfaction occurs after the Participant is suspended from the Program, satisfaction shall make the Participant eligible for reinstatement.

10. SUSPENSION AND REINSTATEMENT

- A. Defaults described at Section 4.50.9 shall be grounds for PGW to suspend the Participant from the Program after appropriate notice as described at Section 4.50.11.
- B. Suspension from the Customer Responsibility Program shall last for a period of twelve (12) months or until the Responsibility is met, whichever is shorter, except as limited below.
1. Participants who are suspended for non-payment of Customer Responsibility Cash Payments may not be reinstated to the Program for a period of one (1) year from the time the second payment was missed.
- C. If a Participant is suspended for non-payment the Participant shall be responsible for the full amount of the unpaid bill as though it were calculated under Rate GS.
- D. A Participant must pay 5% of existing arrearages when readmitted to the Customer Responsibility Program.

11. NOTIFICATION OF RESPONSIBILITY DEFAULT AND SUSPENSION

- A. If a participant fails to meet the Responsibilities described in the Section 4.50.3(A) 1 through 5, PGW may suspend the Participant from the program if the default(s) is not satisfied (see Section 4.50.9 and 4.50.10).
- B. Prior to suspension PGW shall attempt to contact the Participant.
1. The first notice shall be in writing at least forty-five days (45) prior to potential suspension.
 2. If the Participant fails to respond to the first written notice within seven (7) days, PGW shall attempt to contact the customer telephonically.
 3. After trying to contact the Participant telephonically at least three (3) times over a seven (7) day period at different times of day and week (e.g. weekday versus weekend, business hours versus non-business hours), PGW shall attempt to make personal contact with the customer.
 4. If personal contact is not achieved, PGW shall leave a written notice of pending suspension.

5. PGW shall send a final written notice to the Participant of his or her pending dismissal seven (7) to ten (10) days prior to actual suspension.
 6. PGW may begin the termination process if a participant is two Customer Responsibility Cash Payments behind. The initial termination notice discussed in Section 4.22 and the first written suspension notice discussed in Section 4.50.11(B)(1) may be issued concurrently.
- C. Notification shall include the following information.
1. A description of the default and how the Participant may satisfy the default.
 2. The consequences of not satisfying the default.
 3. The availability of PGW staff for counseling and possible exceptions.

4.51 FIRST PAYMENT AGREEMENT FOR RESIDENTIAL CUSTOMERS

1. PGW will not terminate service to Customers with delinquent accounts as long as a Customer's payment agreement remains current.
2. Before a payment agreement can be entered into, the Customer must attest to, and provide proof of, the household income and give PGW authorization to verify such income. Proof of income shall include:
 - a. Pay voucher stubs for each employed member of the household covering the four (4) weeks immediately preceding the Customer's request for a payment agreement.
 - b. Unemployed persons must submit verification of any compensation received, including unemployment compensation, insurance, or union benefits.
 - c. For those on public assistance, a certification from their case worker verifying household income.
3. Customers whose household income is at or below 150% of the poverty level, as defined by the U.S. Department of Health and Human Services, may enter into a payment agreement, providing for the payment of 5% of the original arrearage as a down payment and a monthly payment of 2% of the original arrearage, until 50% of the original arrearage has been paid.
 - a. The Customer must also agree to pay current bills on an Equal Monthly Payment Plan. PGW shall supply information regarding conservation programs for which the participant is eligible. The payment level of the equal Monthly Payment Plan will be adjusted upon PGW's receipt of approval for any Federal Energy Assistance Grants.
 - b. If the participating Customer has been discontinued in the program before the outstanding arrearage has been reduced to fifty percent, the original arrearage will be reduced according to the following table:

<u>% Of Original Arrears Paid</u>	<u>% of Forgiveness</u>
0 - 10	0
11 - 20	5
21 - 30	10
31 - 35	20
36 - 40	25
41 - 45	30
46 - 49	40
50	50

Customers who fail to make two monthly payments in any twelve (12) month period will be subject to termination in accordance with Regulation 4.11.

- c. This program will be closed to new entrants upon the initiation of the Customer Responsibility Program described in Section 4.50.

4. Residential customers may enter into a payment agreement on the following terms:

- a. A downpayment equal to twenty percent (20%) of the outstanding arrearage;
- b. For heating Customers, payment of the remaining balance in monthly installments in an amount not to exceed the Customer's average or anticipated monthly bill or in an amount that would retire the remaining balance over a period not to exceed twenty-four (24) months, whichever is less;
- c. For non-heating Customers, payment of the remaining balance in monthly installments over a period not to exceed twenty-four (24) months.

5. The provisions of Regulation 4.51 shall not be applicable in those cases where there is evidence that the indebtedness has resulted from theft of service. Regulation 7.3 shall apply in such cases.

4.52 REVIEW OF PAYMENT AGREEMENTS BY PGW

If at any time a Customer with residential service presents evidence to indicate circumstances which he/she believes should warrant particular terms of a payment, PGW shall review such circumstances and shall determine if particular terms are warranted. The prior agreement shall remain in effect unless so modified.

4.53 FAILURE TO COMPLY WITH PAYMENT AGREEMENTS

- a. Residential Customers who fail to comply with the terms and conditions of a payment agreement, and who cannot demonstrate that there has been a significant adverse change in their financial circumstances, will not be permitted to enter into a new payment agreement during a twelve (12) month period but will be offered an opportunity to cure their current payment agreement.
- b. Whenever a payment agreement is successfully completed, no history with respect to prior agreements will be used to a Customer's detriment in applying this or any other section of this Tariff.
- c. A Residential Customer who fails to comply with the terms and conditions of a payment agreement will be permitted to enter into a second agreement after twelve (12) months on the following terms:
 1. A downpayment equal to thirty percent (30%) of the outstanding arrearage;
 2.
 - a. For heating Customers, payment of the remaining balance in monthly installments in an amount not to exceed on hundred fifty percent (150%) of the Customer's average or anticipated monthly bill, or in an amount that would retire the remaining balance over a period not to exceed twelve (12) months, whichever is less;
 - b. For non-heating Customers, payment of the remaining balance in monthly installments over a period not to exceed twenty-four (24) months;
 3. Payment of a security deposit in accordance with Regulation 3.53.
- d. A Residential Customer who fails to comply with the terms and conditions of a second payment agreement will be permitted to enter into a third agreement after twelve (12) months on the following terms:

1. A downpayment equal to forty percent (40%) of the outstanding arrearage;
 2.
 - a. For heating Customers, payment of the remaining balance in monthly installments in an amount not to exceed two hundred percent (200%) of the Customer's average or anticipated monthly bill, or in an amount that would retire the remaining balance over a period not to exceed six (6) months, whichever is less;
 - b. For non-heating Customers, payment of the remaining balance in monthly installments over a period not to exceed twelve (12) months;
 3. Payment of a security deposit in accordance with Regulation 3.52.
- e. A Residential Customer who fails to comply with the terms and conditions of a third payment agreement and has not cured the default pursuant to Regulation 4.53(a), and if PGW has determined that the Customer is able to pay bills for service, PGW may – with the approval of the Vice President in charge of collections or his/her supervisor – deny the Customer the opportunity to enter into a new payment agreement. PGW shall notify the Customer of his/her right to dispute its decision pursuant to Regulation 5.1(A). Should the Customer exercise his/her right to appeal PGW's decision to the Commission pursuant to Regulation 5, PGW shall have the burden of proof before the Commission.

4.54 PAYMENT AGREEMENTS - MAKE-UP BILLS

If a residential Customer receives a "make-up" bill for previously unbilled service, the Customer may enter into an affordable payment agreement which, at the option of the Customer, shall extend at least as long as the period during which the excess billing accrued. Consistent with the provisions of Regulation 3.43(b), no finance charges shall be imposed so long as the Customer complies with the terms of the payment agreement.

4.61 TERMINATION PROCEDURES AND NOTICES TO TENANTS

Subject to Regulation 2.1, where the mailing or billing address or apartment designation of a Customer with residential service is different from the service address or apartment designation, PGW shall assume that such Customer is a landlord-customer and that the residents at the service address or apartment designation are tenants unless PGW has actual knowledge to the contrary.

4.62 (Number not currently in use).

4.63 EFFORTS TO COLLECT FROM LANDLORDS

Before terminating service to residential dwelling in which the Customer billed is a landlord-customer, but the gas has been or is being delivered to and used by a tenant, PGW shall make reasonable efforts to seek collection from the landlord up to and including termination of gas service at the landlord's residence and at the landlord's places of business located in the City of Philadelphia.

4.64 (Number not currently in use).

4.65 PRE-TERMINATION NOTICE TO TENANT

Prior to termination of any tenant-occupied property with residential service, PGW shall comply with the provisions of the Pa. Utility Services Tenants Rights Act.

4.66 CONTENTS OF PRE-TERMINATION NOTICES - TENANTS

This notice shall inform the tenant-occupants with residential service of the following:

- a. That there exists an outstanding bill for the property and that collection activity is being pursued against the landlord-customer.
- b. That the initial payment by tenants on the delinquent balance shall not exceed on month's rental. Thereafter, all current bills shall be paid in full.
- c. The phone number to call for further information and/or an explanation of the procedure to be followed for continued service.
- d. The locations and business hours of PGW's district office.
- e. The phone number of the Philadelphia Department of Licenses and Inspections.

4.67 UNAUTHORIZED CONNECTION OF APPLIANCES TO CUSTOMER'S METER

When PGW determines that high gas bills may or have been caused by the unauthorized connection to the meter of appliances by someone other than the Customer, PGW shall fully and promptly investigate such high bills, and shall, upon verifying such unauthorized connection(s), disconnect such piping and/or appliances. Further, PGW shall prorate the Customer's bill to remove all charges attributable to such unauthorized connections and any finance charges thereon.

4.70 LIMITED SERVICE PROGRAM

The Limited Service Program is closed to new entrants. Existing participants in the program will be allowed to continue in the program until they have broke nor completed their existing agreements.

4.71 (Number not currently in use.)

4.72 FAILURE TO COMPLY WITH TERMS OF LIMITED SERVICE

If a Customer receiving gas service under the "Limited Service: Program fails to comply with any of the terms of the Program, service will be terminated immediately, and upon default, the remaining portion of the Customer's original arrearages, as computed in accordance with the forgiveness schedule referenced in Regulation 4.51(3)(b), becomes due and payable to PGW, as well as any subsequently accumulated arrearage.

4.73 TAMPERING WITH LIMITED SERVICE MODIFICATIONS

Any attempt by the Customer to circumvent any of the service modifications will subject the Customer to immediate discontinuance of service.

5. INQUIRY, REVIEW, DISPUTE AND APPEAL PROCESS

5.1 PROCEDURE FOR CUSTOMER CLAIMS WITH PGW

A. Procedure for Customer Claims Regarding Billing Matters

1. Initial Review - Customer Inquiry

If a Customer receives a termination notice and/or claims that a past due bill is in error, or that the Customer is not responsible for the bill, he/she shall have the right to make an inquiry to a PGW customer representative regarding the billing matter in question. PGW shall review such inquiry and shall inform the Customer of the results of the review. If the customer representative is *uncertain whether the dispute has been resolved, the customer representative shall advise the Customer that he/she may request a further review of the billing dispute.*

2. Further Review - Customer Dispute

If a Customer's inquiry cannot be resolved pursuant to Regulation 5.1A (1), PGW shall suspend the service termination process, commence a further review of the claim and so inform the Customer. Upon completion of the further review, PGW shall notify the Customer, in writing, of its findings which shall include a statement that a Customer dissatisfied with the results of the further review may appeal to the Commission pursuant to Regulation 5.2 below. The suspension on the service termination shall continue until fifteen (15) days after PGW notifies the Customer of the results of the further review.

3. Further Review - Accounts Terminated for Non-Payment

A former Customer whose service has been terminated for non-payment and has not previously disputed the basis for the termination may request a further review of his/her claim. PGW shall review the claim and shall notify the Customer, in writing, of its findings within five (5) business days. If the Customer desires to provide documentation of his/her claim, the five (5) days shall commence upon delivery of such documentation. The written notice of findings shall include a statement that a Customer who is dissatisfied with the results of the review may appeal to the Commission pursuant to Regulation 5.2 below.

B. Procedure for Claims Regarding Non-Billing Matters - Customer Review Unit

1. An applicant who claims that his/her application for service was improperly rejected or credit wrongly denied may request an informal hearing before the Customer Review Unit to dispute the reasons for such rejection or denial.
2. A Customer who claims that his/her service was improperly terminated, for reasons other than non-payment, may request an informal hearing before the Customer Review Unit to dispute the reasons for the service termination.
3. The Customer Review Unit shall hold an informal hearing and shall render a written decision within ten (10) calendar days from the date of the Customer's request for a hearing.
4. The decision shall include notice of right to appeal to the Commission.

5.2 APPEAL OF PGW DECISION TO COMMISSION

- a. A Customer shall have ten (10) days after receiving the written decision pursuant to Regulation 5.1 in which to appeal, which appeal may be oral or written, any adverse finding to the Commission. For purposes of this Section, it shall be presumed that notice was received on the fourth day after the date of the mailing of the notice.

5.3 INFORMAL HEARING SCHEDULE

The Commission shall schedule an informal hearing before a Hearing Examiner with respect to a timely appeal taken from a PGW Decision. In the case of landlord and non-residential Customers only, at PGW's request, the Hearing Examiner may order the Customer to post security.

5.4 RECOMMENDATION OF HEARING EXAMINER

The Hearing Examiner shall make written findings of fact and a recommended decision, to which either party may file exceptions. The findings of fact, recommended decision, and exceptions, if any, shall be acted upon by the Commission at a regular meeting. The Commission shall notify the parties, in writing, of its final decision.

5.5 OBLIGATIONS PENDING FINAL DECISION

- a. While a Customer's account is under further review by PGW and/or while a matter is on appeal to the Commission, a Customer shall remain obligated to pay all charges not involved in the further review or appeal. A Customer's failure to pay or to arrange to pay such charges shall be grounds for PGW to institute service termination proceedings notwithstanding the provisions of Regulation 5.1 A2 & 3 and/or Regulation 5.2a.
- b. Whenever there is a dispute termination proceedings shall be stayed.

5.6 EXCEPTIONS TO RESIDENTIAL PROVISIONS OF CUSTOMER SERVICE REGULATIONS

1. PGW is empowered to review individual residential customer problems, advise customers on available options, negotiate solutions and waive tariff requirements as limited herein:
2. Limitations on Waiving Tariff Requirements: PGW may waive tariff requirements only if:
 - a. PGW determines that waiving of a tariff requirement will increase the net revenues collected from that customer when considering the likelihood of payments under the tariff provisions and the cost of collection, termination and reconnection, and/or
 - b. The Customer is a participant or a potential participant in the Customer Responsibility Program and has indicated by his/her actions a desire to comply with the Program's Responsibilities.

6. CUSTOMER'S INSTALLATION

6.1 INFORMATION FROM APPLICANT

Anyone desiring to equip his/her premises for the use of gas should communicate with the Company directly, or through his/her contractor, preferably in writing, giving the exact location of the premises and the quantity and type of all gas-consuming devices which are to be installed. Where the conditions of the use of any of the gas-consuming devices would not be readily apparent to the Company, a description of such use, as it affects the supply of gas to it, should be included.

6.2 POINT OF DELIVERY

Upon request, subsequent to compliance with Regulation 6.1, the Company will designate a point at which the applicant shall terminate his/her piping for connection to the meter, but such information does not constitute an agreement or obligation on the part of the Company to furnish gas services.

6.3 LOCATION OF AND SPACE FOR METER

The Customer shall provide, free of expense to the Company, a dry, warm and/or otherwise suitable place for the meter or meters, or other equipment of the Company which may be necessary for the fulfillment of contracts for gas service as may be entered into with the Company.

6.4 ACCESSIBILITY TO COMPANY-OWNED GAS SUPPLY FACILITIES

The space provided for the Company's meters, gas service entrance and other equipment shall be conveniently accessible. *The meter shall be as near as possible to the point where the service supply pipe enters the Customer's premises: except when, in the judgment of the Company, this is not practical or desirable. In the event of such a situation, a mutually agreed upon meter location shall be designated. Such exception must provide the same convenient accessibility of both the meter and the service supply pipe and be acceptable to the Company in all other respects.*

6.5 NON-STANDARD GAS SUPPLY FACILITIES

The Customer will ordinarily be required to pay the cost of any special installations when, in the judgment of the Company, his/her requirements for gas supply facilities cause a departure from the Company's usual installation regulations.

7. CUSTOMER'S RESPONSIBILITY FOR COMPANY'S PROPERTY

7.1 PROTECTION BY CUSTOMER

The Customer shall be responsible for the protection of the Company's property on his/her premises, and shall not permit any unauthorized person to disturb or tamper with such property. In the event of damage, destruction or loss of the Company's property, the Customer may be required to pay the costs of repairs and/or replacement.

7.2 COMPANY TO TURN ON GAS

The Company has the sole right to turn on the gas supply for the first time, after a meter has been set, or where the gas has been turned off by the Company for any purpose whatsoever. The Customer shall not allow anyone, except employees of the Company presenting proper credentials, to turn on the gas supply at any premises.

7.3 TAMPERING - THEFT

- a. The Company reserves the right to remove any of its property which has been damaged or which, in its judgment, appears to be in reasonable prospect of being damaged or where there is evidence that such property has been tampered with, or there has been unauthorized interference with or diversion, or use, of

the utility service.

- b. The Company shall be under no obligation to replace any property until the damage has been paid for, the value of the gas used has been paid for, usage has been paid and satisfactory assurance given that no damage or unauthorized interference or diversion or use will be caused in the future.
- c. At the time of termination, the Company shall inform the occupant of a PGW telephone number and address where the Customer may discuss the termination and/or requirements of restoration of service.
- d. Instances of tampering or unauthorized interference with or diversion or theft of gas or other Company property may be subject to prosecution.
- e. The Company shall NOT refuse to provide service to an applicant who is not responsible for the damage or for the unauthorized use of gas.

7.4 ACCESS TO PREMISES

- a. Authorized agents of the Company shall, at all reasonable times, have the right to free access into the premises supplied with gas, for the purpose of examining, removing or changing the meter, piping, and gas-consuming equipment, and of taking whatever remedial action the Company may deem appropriate to avoid or abate hazardous conditions or unauthorized usage;
- b. All employees of the Company who are authorized to enter upon the Customer's premises shall display appropriate PGW identification on their person.

7.5 RELOCATION OF GAS SUPPLY FACILITIES

- a. A charge will ordinarily be made to cover the cost of relocating the gas supply facilities for a Customer who alters or plans to alter his/her building, who constructs a new building over the gas service pipe location on his/her building, or who makes any other alterations to his/her property requiring the relocation of the gas supply facilities. Relocation of the gas supply facilities shall be required when, in the judgment of the Company, the changes to the Customer's property cause a need for such relocation. The Customer must give the Company reasonable advance notice of any plans for such construction or alterations. The Company may require payment in advance for its costs in association herewith.
- b. Where, in the judgment of the Company, it is physically and economically feasible, the alteration or relocation of any residential gas meter will be to a location that permits the meter to be read from outside the residential structure.

7.6 TRANSFER OF GAS ALLOCATION

Where the Company has authorized the transfer of Customer's Gas Allocation from one location to another, a charge will ordinarily be made to cover any costs associated with such transfer. Payment of this charge may be required in advance.

8. ADJUSTMENT OF METER ERROR

8.1 DEFECTIVE METER

Gas shall be supplied through a meter provided by the Company. Should a meter become defective or fail to register correctly, it shall be replaced. If the quantity of gas recorded by a meter is in question, the quantity of gas which passed through the meter may be determined by a test of the meter, or by comparison with subsequent gas consumption recorded by

the replacement meter, or by the amount of gas metered during the corresponding period of the previous year if the *circumstances of usage and the gas-consuming equipment are comparable.*

8.2 INVESTIGATIONS

When a Customer believes that a meter registers incorrectly, the Company should be notified, whereupon a prompt investigation shall be made and the Customer shall be advised of the results.

8.3 ADJUSTMENT OF BILLS FOR METER ERROR

- a. A meter will be proved to have been in error when it is more than 2% slow or more than 2% fast.
- b. When a meter is proved to have been in error and, in the judgment of the Company, an adjustment of the Customer's billing is feasible, the Company will make the necessary adjustment in the billing covering a period not greater than that permitted by law.

8.4 METER TESTS

- a. If a Customer contests the accuracy of his/her meter and the bill for gas used related thereto, Company will provide a proper place and apparatus for the meter to be inspected by appropriate PGW personnel using testing methods and testing apparatus sanctioned for that purpose.
- b. Such meter tests shall be observed by representatives of the Commission (including but not limited to Commission staff). The Chairperson of the Commission shall appoint persons with the education and experience to verify:
 1. that the meter being tested is in fact the meter currently assigned to the Customer;
 2. that the limit of meter accuracy (i.e., how fast or how slow that the tested meter tolerates the flow of gas) is the result actually stated by the testing procedure;
 3. such other matters as the Chairperson of the Commission shall decide.
- c. The meter under test shall be considered correct if it is within a tolerance of 2% fast or 2% slow.
- d. PGW shall provide a report of the meter test to the Customer indicating if the meter is correct or not correct. If not correct, PGW shall also indicate the percentage by which the meter tested fast or slow.
 1. A meter will be proved to have been in error when it is more than 2% slow or more than 2% fast.
 2. The Customer's bill in question shall be corrected only when the tested meter registers greater than 2% fast. However, no correction shall be made when the tested meter registers greater than 2% slow.
- e. Any Customer desiring such test shall, at the time the test is requested, pay a fee to PGW, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2.
- f. This fee shall be returned to the Residential Customer if the meter test witnessed by Commission representatives shall show that the meter in question is fast beyond the tolerance allowed herein. Otherwise, it shall be paid by PGW to the Commission.

9. DISCONTINUANCE OF GAS SUPPLY

9.1 DISCONTINUANCE BY CUSTOMER - GENERALLY

- a. Except where the provisions of the Utility Service Tenants Rights Act apply, the Customer may be required to give the Company at least three days written notice to discontinue the supply of gas.
- b. The Customer shall be liable for any gas that may pass through the meter until three days after such notice is received.
- c. In the event that the Company's authorized agent is not able to gain access to the premises during the three-day interval, the Customer's liability for gas that may pass through the meter shall continue in force until such time as a final meter reading can be obtained by an authorized agent of the Company unless subsection (d) is applicable.
- d. Upon the Customer's verifiable documentation of the date he/she ceased utilizing the gas service at the premises, the Customer shall be relieved of liability therefore after such date with a prorated bill to be issued upon a final meter reading if:
 1. The Company's inability to gain access is due to the Company's failure to respond to the Customer's timely request for discontinuance, or if
 2. The Customer was unable to provide the Company with access to the premises because of the property owner's refusal to allow such.

9.2 TEMPORARY DISCONTINUANCE OF GAS SERVICE BY THE CUSTOMER'S REQUEST

- a. Except where the provisions of the Utility Service Tenants' Rights Act apply, a Customer may have his/her gas service temporarily discontinued by giving advance notice.
- b. A charge shall be assessed for shutting off and turning on gas supply for Customers, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2, plus any additional charges set forth in the applicable rate(s).
- c. The charge for commercial and industrial Customers for shutting off and turning on gas supply shall be based on the actual on-job time required to do the work, priced at the prevailing Labor rate plus any additional charges set forth in the applicable rate(s).

9.3 RESTORATION CHARGE

- a. If a Customer's meter is removed or gas service is otherwise terminated because of any violation of the Company's Rules and Regulations, the restoration of service will be subject to payment in advance of a restoration charge, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2, unless the Customer is participating in a low-income payment plan. In such cases, the restoration charge will be incorporated into a payment agreement, but shall not be subject to forgiveness.
- b. If it has been necessary to dig up the gas service or connection to a Customer to effect continuation of service, restoration of service will be subject to the payment to the Company of an excavation charge, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2. Such charges may be incorporated into a payment agreement or budget billing agreement, but will not be

subject to forgiveness.

- c. Restoration charges on a non-residential gas account must be paid immediately prior to PGW's restoration of the service. Non-residential Customers must pay all charges associated with nonpayment terminations and restoration. Such charges will be calculated and assessed on an individual basis.

10. EXTENSIONS OR ENLARGEMENTS OF GAS SUPPLY FACILITIES TO MEET NEW DEMANDS FOR GAS

10.1 GENERALLY

PERMANENT CUSTOMER - A Permanent Customer is defined as one utilizing gas through equipment installed in a permanent structure, where the use of the equipment promises to be continuous over a period of years.

10.2 EXTENSIONS OR ENLARGEMENTS FOR PERMANENT CUSTOMERS

- a. RESIDENTIAL GAS SERVICE - Upon written application, and under normal conditions of construction and installation, the Company will extend its main and service for permanent residential Customers within its service territory provided the requested extension will no adversely affect the availability or deliverability of gas supply to existing Customers. The Company will furnish and install at no cost to the Customer, supply-main and service-supply pipe of an amount up to five times the anticipated annual base rate revenue less the fuel cost component included therein, and the Customer shall pay for any costs in excess of this allowance. Included in the calculation of such cost may be an appropriate allowance for transmission and distribution main extensions required to furnish the gas supply to local areas where gas service is needed.
- b. COMMERCIAL AND INDUSTRIAL GAS SERVICE - For permanent commercial and industrial Customers making application for extensions or enlargements, where the Company in its sole judgment anticipates long-term, continuous usage at projected volumes of gas: (a) where the combined estimated cost of supply-main and service-supply pipe is less than \$10,000, the Company will furnish and install, at no cost to the Customer, service-supply pipe and supply-main of an amount up to three times the anticipated annual base rate revenue less the fuel cost component included therein, and the Customer shall pay for any costs in excess of this allowance; or (b) where the combined estimated cost of supply-main and service-supply pipe installation is \$10,000 or more, the Customer shall pay for the amount of the estimated cost in excess of the investment determined by the Company to be warranted by the anticipated revenue to be derived from the extension. Included in the calculation of the above cost may be an appropriate allowance for transmission and distribution main extensions required to furnish the gas supply to local areas where gas service is needed.

10.3 EXTENSIONS OR ENLARGEMENTS FOR TEMPORARY CUSTOMERS

For Customers other than those deemed by the Company to be permanent Customers, gas supply facilities shall be installed at the expense of the Customer.

11. GAS COST RATE CLAUSE

11.1 PROVISION FOR ADJUSTMENT

The Gas Cost Rate shall be applied to each Mcf (1,000 cubic feet) of gas supplied under Rates Schedules GS, MS, PHA, and NGVS-Firm.

11.2 COMPUTATION OF GAS COST RATE

- a. The Gas Cost Rate shall be computed to the nearest one-hundredth cent (0.01c) in accordance with the formula set forth below:

$$GCR = ((C - E) / S) - B$$

- b. Each Gas Cost Rate so computed shall be applied to Customers' bills for twelve monthly billing periods commencing with September; provided, however, that such rate may be revised on an interim basis subject to approval of the Commission upon determination that the effective rate will result in over billing or under billings in excess of five percent (5%) of Factor "C" if not revised. Such interim revised rate shall become effective thirty (30) days from the date of filing unless otherwise denied or modified by the Commission.

11.3 DEFINITIONS

GCR - Gas Cost Rate determined to the nearest one-hundredth cent (0.01c) to be applied to each Mcf of gas supplied under Rate Schedules GS, MS, PHA, and NGVS-Firm.

C - the current cost of natural gas and other raw materials determined as follows: (a) for all types of gas, project the cost for each purchase (adjusted for net current gas stored) for the computation year plus (b) the arithmetical sum of (1) the projected book value of non-current gas at the beginning of the computation year minus (2) the projected book value of non-current gas at the end of the computation year.

E - experienced net over billings (or under billing) of the cost of natural gas and other raw materials as of the end of the computation year.

Additionally, supplier refunds received prior to the end of the August billing period will be included in the factor "E". Commencing with the Fiscal Year 1991-92 GCR calculation, supplier refunds anticipated to be received within the computation year will be included in Factor "E".

B - base cost in \$ per Mcf of Applicable Sales. The base cost is the portion of natural gas and other raw material costs included in the base rate charges of Rate Schedules GS, MS, PHA, and NGVS-Firm. The current base cost is \$3.180/Mcf.

The base cost shall be adjusted at the time of the annual Gas Cost Rate filing to include at least ninety percent (90%) of the Company's experienced gas rates in effect as of the end of the August billing period, plus such portion of the projected gas costs as the Commission shall permit.

S - projected applicable Mcf of gas to be billed to Customers during the computation year.

Computation Year - the fiscal year from September through August.

Natural Gas or Gas - the volumes of gas purchased or manufactured by the Company that is delivered to the Company's Customers, plus such portion of the Company-used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas. Liquefied propane and naphtha.

11.4 REPORTING REQUIREMENTS

- a. The Company shall file quarterly reports within thirty (30) days following the conclusion of each quarter of the computation year. These reports will be in such form as the Commission shall have prescribed. The third quarterly report shall be accompanied by a tentative estimate of the Gas Cost Rate for the next computation year.
- b. The filing of the Company's annual Gas Cost Rate effective during the billing period of September through August shall be submitted to the Commission by August 1 of each year.

- c. The application of the Gas Cost Rate shall be subject to review and audit by the Commission at such intervals as the Commission shall determine.
- d. If it shall be determined, from audit by the Commission, by final order entered after notice and hearing, that the application of this clause has resulted in the collection of excess funds, then Company shall apply such excess funds as a credit against future gas cost rates.

11.5 PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

The computation of the Gas Cost Rate may include such Non-Gas expenses as may be authorized by this tariff and annually authorized by the Commission. Non-gas expenses currently authorized for recovery through the GCR are expenses associated with Low-Income Conservation and Marketing Incentive Programs and the revenue shortfall associated with the Customer Responsibility Program. These expenses would be added to Factor "C" and individually reconciled in the development Factor "E".

12. SENIOR CITIZEN DISCOUNT

12.1 PROVISION FOR SENIOR CITIZEN DISCOUNT

- a. A Customer or prospective Customer shall be granted a reduction in monthly charges for gas supplied by the Company and consumed for residential purposes if the applicant:
 1. Is 65 years of age or older;
 2. Resides in the City of Philadelphia;
 3. Does or will directly make payment to the Company for gas service at his or her residence;
 4. Makes acceptable application;
 5. Maintains his or her qualifications for same.
- b. The Senior Citizen Discount, as set forth in these Customer Service Regulations, shall only apply to the gas which is consumed for heating and non-heating purposes in that portion of the building in which the senior citizen resides. Therefore, if the senior citizen resides in a building that is part residential and part commercial or rental (to someone other than the senior citizen), only that portion of the building that is occupied by the senior citizen as a residence will be eligible for the Senior Citizen Discount.

12.2 COMPUTATION OF SENIOR CITIZEN DISCOUNT

- a. For Customers accepted under Regulation 12.1, the monthly consumption of gas will be priced at the full rate then in effect, including Gas Cost Rate adjustment charges and other charges, if any, as authorized by the Commission, and 80% of this amount will be billed to the Customer.
- b. In the event taxes or other charges become applicable after the effective date hereof, which charges cannot lawfully or in equity be treated as herein provided, the application of the Senior Citizen Discount affecting such charges will be limited accordingly, so as to provide a result which, in the Company's opinion, is reasonably consistent with the intention of providing a discount of the type here authorized.

12.3 APPLICATION FOR SENIOR CITIZEN DISCOUNT

An application for Senior Citizen discount must be made by the applicant in person at any one of the Company's offices or at such other place as the Company provides.

12.4 DOCUMENTARY EVIDENCE REQUIRED FOR SENIOR CITIZEN DISCOUNT

- a. An applicant must present:
 1. Legal proof of age acceptable to the Company and
 2. Documentary evidence acceptable to the Company authenticating residence at the address where gas consumption will be subject to the discount.
- b. The Company may from time to time require production of documentary evidence or other information satisfactory to the Company so as to review a Customer's continued eligibility for the Senior Citizen Discount.

12.5 EFFECTIVE DATE OF THE INITIAL SENIOR CITIZEN DISCOUNT BILLING

- a. Applications made at least 30 days prior to the applicant's next billing period, and which in that 30-day period are fully documented and accepted by the Company, will result in the initial application of the Senior Citizen Discount to the cost of the gas consumed in such next billing period.
- b. Improper or incomplete applications causing the extension of the above 30-day period, and which delay in the Company's opinion is occasioned by the applicant, will delay the initial use of the discount until the succeeding billing period next following the acceptance of the application.
- c. The Senior Citizen Discount, after its initial application, will continue in force thereafter so long as it is authorized and the original applicant, in the opinion of the Company, continues to qualify for it.

12.6 CUSTOMER'S GAS PIPING

- a. In order for the Company to quantify the amount of gas to which the Senior Citizen Discount applies, where such gas quantity cannot ordinarily be determined, arrangements acceptable to the Company must be made by the Customer.
- b. In cases where, at the time of making application, the Customer lives in only a portion of the structure to which gas is also being supplied to others but through a single meter, and where the Discount does not apply to the others, and, in the opinion of the Company, the Customer's gas piping can reasonable be changed, the Customer, at his or her expense, shall make the necessary piping rearrangement and the Company will install a separate meter.
- c. When the Customer's gas piping, in the opinion of the Company, cannot reasonably be changed, the Company, for billing purposes, will estimate the quantity of gas used by the Customer to which the Senior Citizen Discount will apply. In all other cases, the Customer should make gas piping provision to allow the Company to directly meter gas used exclusively for such Customer's account.

13. GENERAL PROVISIONS

13.1 TYPE OF SERVICE

The gas supplied will be natural gas with a heating value and other characteristics as provided for in the Tariffs covering the Company's purchases of natural gas from its suppliers. The Company may, however, where and when it deems necessary, supplement and/or substitute for the natural gas with some other compatible gas. Such gas shall have a heating value and other characteristics satisfactory for the proper operation of gas-burning appliances that have been approved for Customer's use except for certain special industrial or commercial gas applications where little or no leeway in gas characteristics may be tolerated. It is the Company's policy to notify Customers who request such notice of any change in the burning characteristics of the gas to be supplied, but failure by the Company to give such notification shall not subject the Company to liability for any damages resulting from a change in characteristics of the gas furnished. The supply pressures will be in accordance with Regulation 3.1.

13.2 COMPANY'S RIGHT TO DISCONTINUE, CURTAIL OR DENY SERVICE

- a. The Company, in the event of a shortage or insufficient supply of gas, or any other contingency which threatens its ability to continue or meet the total demand of its Customers or prospective Customers, shall have the right to establish priorities in furnishing gas.
- b. Priorities will be dictated by giving primary consideration to human necessity and the public welfare, beyond which it will be the Company's policy to give priority to firm Customers, classified as to type of service in accordance with the Company's rate schedules and by the Customer classifications of Residential, Commercial and Industrial. The Company will endeavor to apportion its available supply of gas among the demands of firm Customers within a particular classification in the most reasonable and practicable manner possible, but reserves the right to refuse, curtail, shut off, reestablish, continue or discontinue service irrespective of such classifications if, in the Company's judgment, the interest of gas users generally so requires.
- c. In the event of refusal, curtailment or discontinuance of service, the Company shall not incur any liability for loss, damages or expense which any Customer or prospective Customer may sustain by reason of such refusal, curtailment or discontinuance of service.
- d. It will be the Company's policy to give notice to Customers of curtailment or discontinuance of service in the most expeditious manner consistent with the Company's effort to deal with the emergency creating the necessity for such curtailment or discontinuance.

13.3 DIVISION OF RESPONSIBILITY

As used herein, the term "Gas Supply Facilities" includes all equipment, piping, meters, regulators, connections, or other equipment required to deliver gas to the Company designated Point of Delivery. Such equipment will be provided, installed, owned and maintained by Company, subject to such contributions to cost by Customer as set forth in the preceding Rules and Regulations. All piping, fixtures and appliances on the Customer's side of such delivery point must be installed and maintained by and at the expense of the Customer or Owner of the property, unless in the Company's judgment the Customers generally would benefit from some other arrangement.

13.4 EXCEPTIONS

When, in the judgment of the Company, it is in the interest of the Customers generally, exceptions to these Rules and Regulations may be made. However, such exceptions must be approved beforehand by the Commission

14. CUSTOMER SERVICE CHARGES AND MISCELLANEOUS FEES

- 14.1 Customers requesting service on their equipment will be assessed a charge for each service call, the amount of which shall be set forth in the schedule of service charges and fees published pursuant to Regulation 14.2. Exempted from this service charge will be calls for leaks and other safety-related conditions; service calls for active participants in the Customer Responsibility Program and other who have assigned any low-income energy assistance grant to PGW; and all appliances covered under currently effective Parts and Labor Plan contracts.
- 14.2 A schedule setting forth customer approved service charges and fees shall be published annually by PGW. The following charges and fees are currently included in this schedule:
- a. A charge assessed to the Customer for returned checks, pursuant to Regulation 3.42.
 - b. The finance charge imposed on late payments, pursuant to Regulation 3.43.
 - c. A charge for Statements of Account, pursuant to Regulation 3.44.
 - d. A charge for residential field collections, pursuant to Regulation 4.28.
 - e. Charges for meter tests, pursuant to Regulation 8.4.
 - f. A charge for Customer requested Shut-offs and Turn-ons, pursuant to Regulation 9.2.
 - g. Charges for restoration of service, pursuant to Regulation 9.3.
 - h. Charges for customer service calls, pursuant to Regulation 14.1.

15. ECONOMIC DEVELOPMENT DISCOUNT

15.1 PROVISION FOR ALLOWANCE

This discount is available to any new or expanding large commercial or industrial gas Customer to be served under Rate BPS, where significant capital cost will be incurred by the installation of gas-fired equipment designed and reasonably anticipated to add at least 1,500 Mcf per month to the Customer's normal base period gas requirement, going into service after November 29, 1983. The Customer's eligibility for this rate shall be shown by documentation satisfactory to the Company, and such Customer will be required to execute a Service Agreement.

15.2 COMPUTATION OF DISCOUNT

The charge for gas delivered under the current applicable rate, including Gas Cost Rate, shall be subject to a discount of 15% applicable only to the Customer's increase in gas consumption over the base period. This discount shall apply for a period not to exceed three (3) years, and the cumulative amount shall not exceed the Customer's capital investment in new or expanded gas-fired equipment. No credit shall be allowed which would reduce the rate for gas below the cost of fuel included in the base rate plus the applicable GCR charge. The base period shall be twelve (12) billing months prior to the qualifications for this discount excluding unusual or non-recurring conditions.

16. RESIDENTIAL USAGE REDUCTION PROGRAM

16.1 PURPOSE

- a. General Program - PGW shall establish from time to time various programs to educate and assist residential Customers in effective conservation of energy which are designed to achieve lower gas bills for the Customers.
- b. Low Income Program - PGW shall establish fair, effective and efficient gas usage reduction programs for low income Customers. Such programs are intended to maintain affordable gas service and to reduce uncollectible accounts and the collection and termination expenses of PGW by enabling low income Customers to reduce their gas usage.

16.2 PROGRAM DEVELOPMENT AND EVALUATION

- a. PGW shall collect data on Customer usage, payment histories, service terminations and related PGW costs in order to carry out the purposes specified in Regulation 16.1.
- b. PGW shall contract with an independent party to analyze fuel usage of Customers participating in its programs. Annual report(s) shall be submitted to the Commission and shall include relevant changes in energy usage, the relationship between conservation and bill payment practices and other factors which would have a bearing on the requirements of Regulation 16.1.
- c. PGW shall, upon direction from the Commission from time to time file comprehensive usage reduction reports which, in part, analyze the annual reports, for the purpose of determining optimal programs and investment levels for its usage reduction efforts. The Commission may conduct public hearings and require implementation of appropriate usage reduction programs by PGW.

16.3 LOW INCOME PROGRAM FUNDING

Funding for low income usage reduction programs shall be at least two tenths of one percent (.2%) of gross revenues during each year of operation or \$1,000,000 whichever is greater. In the event that PGW employs independent contractor(s) to manage such program(s), said contractor(s) may spend not more than 15% of program funding for administrative costs and PGW shall not charge any of its expenses for such program(s) to program administration. In all other circumstances, PGW shall spend not more than 15% of its low income usage reduction program funding for administrative costs.

16.4 ADVISORY COMMITTEE

PGW shall establish and utilize the assistance of an Advisory Committee composed of individuals, or representatives of organizations with experience in the analysis, design, provision or administration of usage reduction programs, or low income advocacy. The Advisory Committee shall meet at least quarterly to review and comment on the information and reports described in Regulation 16.2 and provide advice on program design, evaluation and implementation. Committee members shall have full access to all data related to usage reduction programs.

16.5 INTEGRATION

PGW shall coordinate its low income usage reduction programs with existing resources in the community, and operate in conjunction with the relevant public or private programs so that Customers experiencing ability-to-pay problems are made aware of the usage reduction program and are referred to public, private, or utility programs that may enhance their ability to pay their utility bills.

16.6 DWELLING REPAIRS

Expenditures on program measures may include energy related repairs to the dwelling necessary to permit measures which are needed to reduce usage effectively. The cost-effectiveness of such expenditures shall be measured in the same manner as all other expenditures under this program.

GENERAL SERVICE - RATE GS

Rate: Applicable to all gas consumed on or after September 1, 1991
for Commercial and Industrial Customers, and to all gas consumed
on or after June 1, 1999 for Residential Customers
Air Conditioning Provision: Effective July 14, 2000
Compressed Natural Gas Provision: Effective July 14, 2000

AVAILABILITY

Available for any purpose where the Company's distribution mains adjacent to the proposed gas service location are, or can economically be made, suitable to supply the quantities of gas required. Gas service is also available under this rate for comfort cooling and/or pilot usage for buildings served under seasonal rates, during those periods of the year when gas service is not ordinarily available under such seasonal rates.

RATES

CUSTOMER CHARGE: Per Meter (except parallel meters)

\$ 8.00 per month for Residential Customers.
\$ 10.00 per month for Commercial Customers.
\$ 20.00 per month for Industrial Customers.

Plus

COMMODITY CHARGE: 66.13¢ per 100 cubic feet for Residential Customers
71.20 ¢ per 100 cubic feet for Commercial, Industrial Customers

SPECIAL PROVISION – AIR CONDITIONING – For the billing months May through September, the Commodity Charge shall become 40.00 cents per 100 cubic feet for all gas used for cooling purposes. Provided, however, if one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company exceeds 40.00 cents per 100 cubic feet, then the rate under this provision shall be the lesser of one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company, or the applicable Commodity Charge set forth above. This rate is applicable for directly and indirectly fired gas cooling equipment of minimum cooling capacity of 3 tons, installed on or after September 1, 1990. Where practicable, such equipment must be separately metered and the cost for any additional metering, related equipment and installation shall be subject to Regulation 10 of the Rules and Regulations of this tariff. Where separate metering is impracticable for directly or indirectly fired gas cooling and heating equipment, one meter shall be installed for the heating/cooling equipment and such gas rendered to the Customer through such meter will be charged the full Rate GS for the billing months October through April. Under no circumstances will Customers be permitted to use gas rendered through such meter for any purpose other than cooling or heating.

SPECIAL PROVISION - COMPRESSED NATURAL GAS (CNG) – Natural gas provided under this rate schedule for purposes of fueling CNG vehicles shall be dispensed on a liquid gallon basis but billed on an Mcf basis. The conversion between liquid gallons and Mcf shall use a ratio in which the numerator is the Department of Energy BTU energy content of one gallon of gasoline and the denominator is the Lower Heating Value (LHV) in BTUs of the Company's average annual natural gas sendout.

Customers desiring CNG service on a regular basis shall enter into contracts for such service. The rate shall be the Customer Charge and the Commodity Charge for Commercial Customers under this rate schedule. CNG service may also be provided to other Customers on an incidental basis when it is feasible for the Company to do so. The rate for incidental CNG service shall be \$10.00 per Mcf plus a Customer Charge of \$10.00 for each day on which an incidental Customer purchases CNG service.

SENIOR CITIZEN DISCOUNT - The Senior Citizen Discount as set forth in Regulation 12 of the Rules and Regulations of this Tariff for residential service shall apply to the above rate.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge set forth above.

GAS COST RATE CLAUSE

The Gas Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall apply to the above rate, except with respect to gas sold under the "Special Provision – Air Conditioning". Volumes delivered under the "Special Provision – Air Conditioning" of this rate schedule and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT

Standard gas service contracts, where applicable, are for a one year period.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.35, 3.36, 3.41, 3.42 and 3.43.

PGW BUDGET BILLING - Residential heating Customers receiving service under this rate schedule may elect to be billed on a budget billing plan as provided in Regulation 3.35. If an equal monthly payment bill is unpaid at the time the next monthly bill is to be rendered, the Company reserves the right to terminate the Customer's use of the PGW Budget Billing.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all gas consumed on or after September 1, 1991.
Air Conditioning Provision - Effective March 10, 1991
Compressed Natural Gas Provision: Effective July 14, 2000

AVAILABILITY

Available to properties owned or occupied by the City of Philadelphia or the Board of Education, or any of their respective agencies or instrumentalities, for any type of gas service, unless purchased for resale to others, and where the Company's distribution mains adjacent to the proposed gas service locations are, or can economically be made, suitable to supply the quantities of gas required; provided, however, that the rate shall not be available to commercial tenants of any such property.

This rate is also available for service at such locations, served under seasonal rates for comfort cooling and/or pilot usage, during periods of the year when gas is not ordinarily available under such seasonal rates.

RATE

The rate per hundred cubic feet 64.13¢

SPECIAL PROVISION - AIR CONDITIONING - For the billing months of May through September, the rate shall become 40.00 cents per 100 cubic feet for all gas used for cooling purposes. This rate is applicable for directly and indirectly fired gas cooling equipment (gas engine, absorption, adsorption) of minimum cooling capacity of 15 tons, installed on or after September 1, 1990. Such equipment must be separately metered and the cost for any additional metering, related equipment and installation, remain the responsibility of the customer.

SPECIAL PROVISION - COMPRESSED NATURAL GAS (CNG) - Natural gas provided under this rate schedule for purposes of fueling CNG vehicles shall be dispensed on a liquid gallon basis but billed on an Mcf basis. The conversion between liquid gallons and Mcf shall use a ratio in which the numerator is the Department of Energy BTU energy content of one gallon of gasoline and the denominator is the Lower Heating Value (LHV) in BTUs of the Company's average annual natural gas sendout.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall apply to the above rate.

CONTRACT

Standard gas service contracts are for a one year period.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA

Rate: Applicable to all gas consumed on or after September 1, 1991.

Air Conditioning Provision: Effective July 14, 2000

AVAILABILITY

Available for all gas usage in multiple dwelling residential buildings containing ten or more dwelling units, owned and operated by the Philadelphia Housing Authority, where cooking shall be performed exclusively with gas and where gas service shall be supplied through one or more single point metering arrangements at locations where the Company's distribution mains adjacent to the proposed gas service locations are, or can economically be made, suitable to supply the quantities of gas required.

This rate is also available for all gas usage in single and multiple dwelling residential buildings, containing less than ten dwelling units, provided, and only so long as, gas is used exclusively for cooking, water heating and space heating for all such residential buildings owned and operated by the Philadelphia Housing Authority, except (1) buildings operated by the Philadelphia Housing Authority, prior to the original effective date of this rate (January 1, 1969), and (2) buildings for which, in the judgment of the Company, such gas service cannot be provided economically.

This rate is also available in buildings, meeting the above specifications, served under seasonal rates for comfort cooling and/or pilot usage, during periods of the year when gas service is not ordinarily available under such seasonal rates.

RATE

The rate per hundred cubic feet 71.26¢

SPECIAL PROVISION – AIR CONDITIONING – For the billing months May through September, the Commodity Charge shall become 40.00 cents per 100 cubic feet for all gas used for cooling purposes. Provided, however, if one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company exceeds 40.00 cents per 100 cubic feet, then the rate under this provision shall be the lesser of one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company, or the PHA rate set forth above. This rate is applicable for directly and indirectly fired gas cooling equipment of minimum cooling capacity of 3 tons, installed on or after September 1, 1990. Where practicable, such equipment must be separately metered and the cost for any additional metering, related equipment and installation shall be subject to Regulation 10 of the Rules and Regulations of this tariff. Where separate metering is impracticable for directly or indirectly fired gas cooling and heating equipment, one meter shall be installed for the heating/cooling equipment and such gas rendered to the Customer through such meter will be charged the full Rate PHA for the billing months October through April. Under no circumstances will Customers be permitted to use gas rendered through such meter for any purpose other than cooling or heating.

GAS COST RATE CLAUSE

The Gas Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall apply to the above rate, except with respect to gas sold under the "Special Provision – Air Conditioning". Volumes delivered under the "Special Provision – Air Conditioning" of this rate schedule and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT

Standard gas service contracts are for a one year period.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42, 3.43.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

BOILER AND POWER PLANT SERVICE - SMALL VOLUME - RATE BPS-S

Rate: Applicable to all gas consumed
on or after July 14, 2000
Air Conditioning Provision: Effective date July 14, 2000

AVAILABILITY

This rate is available for gas used for steam and/or hot water generation, and for gas used in plants defined by the Company as total energy plants, where the Company's distribution system is, or can economically be made available to supply the service; but gas service under this rate shall not be available as a replacement of gas service, unless the customer can demonstrate to the Company's satisfaction that it has the capacity and plans to continue to take gas service on an interruptible basis for at least one year. The Company's determination as to whether the service would amount to such replacement shall be final. Service under this rate shall be available to (a) any facility which was served pursuant to Rate BPS as of September 1, 1994, and (b) any applicant for service under this rate executing a Service Agreement, contracting for not less than 2,500 Mcf of gas per year under the terms of this Tariff, in which shall be defined maximum and minimum quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$35.00 per month for Customers with annual consumption of less than 10,000 Mcf.
\$75.00 per month for Customers with annual consumption of between 10,000 Mcf and 100,000 Mcf, inclusive.
\$150.00 per month for Customers with annual consumption greater than 100,000 Mcf.

Plus

COMMODITY CHARGE:

Commodity Charge: The rate per Mcf shall be calculated by Company within a range computed to be from twenty percent (20%) above to twenty-five percent (25%) below the numerical average of the high and the low posted tank wagon price for No.2 oil, at Philadelphia, as posted on the first twelve (12) business days (excluding Saturdays and Sundays) of the calendar month in which the calculation is being made, as published in THE JOURNAL OF COMMERCE, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, adjusted for Btu equivalence. (One cent per gallon being equivalent to 7.30 cents per Mcf.) Provided, however, in any month when the floor price calculated using the JOURNAL OF COMMERCE posted prices is more than ten percent (10%) higher than the preceding month's floor price, the floor price shall instead be one hundred and ten percent (110%) of the preceding month's floor price. Provided further that the rate per Mcf shall not be set at a level greater than ninety percent (90%) of the General Service Rate (including the Gas Cost Rate) for Commercial and Industrial Customers nor less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company.

The Commodity Charge for Rate BPS-S Customers, as calculated above, will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

SPECIAL PROVISION - AIR CONDITIONING - For the billing months of May through September, the Commodity Charge shall become the lower of the prevailing month's BPS-S rate or 40.00 cents per 100 cubic feet for all gas used for cooling purposes. Provided, however, if one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company exceeds 40.00 cents per 100 cubic feet, then the rate under this provision shall be one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company. This rate is applicable for directly and indirectly fired gas cooling equipment of minimum cooling capacity of 3 tons, installed on or after September 1, 1990. Where practicable, such equipment must be separately metered and the cost for any additional metering, related equipment and installation shall be subject to Regulation 10 of

the Rules and Regulations of this tariff. Where separate metering is impracticable for directly or indirectly fired gas cooling and heating equipment, one meter shall be installed for the heating/cooling equipment and such gas rendered to the Customer through such meter will be charged at Rate BPS-S for the billing months October through April. Under no circumstances will Customers be permitted to use gas rendered through such meter for any purpose other than cooling or heating

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge set forth above.

Customer Charges will be determined at the commencement of each of the Company's fiscal years based upon Customer's consumption during the previous twelve (12) months or, in the event of new Customers, on annual projected consumption. Charges so established will remain in force for the ensuing twelve (12) months.

GAS COST RATE CLAUSE

Except for the purpose of reference in the Commodity Charge, the Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

ECONOMIC DEVELOPMENT DISCOUNT

Where applicable, the Economic Development Discount as set forth in Regulation 15 of the Rules and Regulations of this Tariff shall apply to the above rate.

CONTRACT

Standard gas service contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

Service under this rate is interruptible. Customers electing service under this rate shall have and maintain complete and adequate standby non-natural gas energy (e.g., oil, propane, electric, steam) and equipment for alternate operation in the event of interruption of gas service. Such Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate energy equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate energy when the outdoor temperature is at or below eighteen (18) degrees Fahrenheit (cut-off temperature) as determined by the Company from a central Company location. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge. However, if the Company determines that Emergency Gas Service is not available at the time that the cut-off temperature is reached, or subsequently, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate energy. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance.

As long as operating conditions permit, service under the effective BPS-S Rate will be restored when the outdoor temperature reaches twenty-three (23) degrees Fahrenheit (turn-on temperature) as determined by the Company from its central location. The Customer

shall be notified by the Company of the restoration of service under this rate. At the time of the turn-on notification the Customer shall transfer from the alternate energy back to gas. All volumes consumed by the Customer, after such notification by the Company shall be billed at the effective BPS-S rate

The Company reserves the right to change the cut-off/turn-on limits should it be necessary to do so in order to maintain adequate and efficient gas service generally, and shall endeavor to provide reasonable notice thereof.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a phone line within reasonable access to the gas meter location. The phone line must be set up so that an outside line can be obtained without manual intervention. The phone line may be a shared line, provided, however that other equipment does not interfere with Company telemetering.

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this Rate when he experiences interference with the use of his alternate energy and when the quantities of gas available to the Company and the distribution facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company. The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

BOILER AND POWER PLANT SERVICE - LARGE VOLUME - RATE BPS-L

Rate: Applicable to all gas consumed
on or after July 14, 2000
Air Conditioning Provision: Effective July 14, 2000

AVAILABILITY

This rate is available for gas used for steam and/or hot water generation, and for gas used in plants defined by the Company as total energy plants, where the Company's distribution system is, or can economically be made available to supply the service; but gas service under this rate shall not be available as a replacement of gas service, unless the customer can demonstrate to the Company's satisfaction that it has the capacity and plans to continue to take gas service on an interruptible basis for at least one year. The Company's determination as to whether the service would amount to such replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement, contracting for not less than 5,000 Mcf of gas per year under the terms of this Tariff, in which shall be defined maximum and minimum quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$35.00 per month for Customers with annual consumption of less than 10,000 Mcf.
\$75.00 per month for Customers with annual consumption of between 10,000 Mcf and 100,000 Mcf, inclusive.
\$150.00 per month for Customers with annual consumption greater than 100,000 Mcf.

Plus

COMMODITY CHARGE:

Commodity Charge: The rate per Mcf shall be calculated by Company within a range computed to be from twenty percent (20%) above to twenty percent (20%) below the numerical average of the high and the low posted reseller tank car price for No.2 oil, at Philadelphia, as posted on the first twelve (12) business days (excluding Saturdays and Sundays) of the calendar month in which the calculation is being made, as published in THE JOURNAL OF COMMERCE, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, adjusted for Btu equivalence. (One cent per gallon being equivalent to 7.30 cents per Mcf.) Provided, however, in any month when the floor price calculated using the JOURNAL OF COMMERCE posted prices is more than ten percent (10%) higher than the preceding month's floor price, the floor price shall instead be one hundred and ten percent (110%) of the preceding month's floor price. Provided further that the rate per Mcf shall not be set at a level greater than ninety percent (90%) of the General Service Rate (including the Gas Cost Rate) for Commercial and Industrial Customers nor less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company.

The Commodity Charge for Rate BPS-L Customers, as calculated above, will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

SPECIAL PROVISION - AIR CONDITIONING - For the billing months of May through September, the Commodity Charge shall become the lower of the prevailing month's BPS-L rate or 40.00 cents per 100 cubic feet for all gas used for cooling purposes. Provided, however, if one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company exceeds 40.00 cents per 100 cubic feet, then the rate under this provision shall be one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company. This rate is applicable for directly and indirectly fired gas cooling equipment of minimum cooling capacity of 3 tons, installed on or after September 1, 1990. Where practicable, such equipment must be separately metered and the cost for any additional metering, related equipment and installation shall be subject to Regulation 10 of

the Rules and Regulations of this tariff. Where separate metering is impracticable for directly or indirectly fired gas cooling and heating equipment, one meter shall be installed for the heating/cooling equipment and such gas rendered to the Customer through such meter will be charged at Rate BPS-L for the billing months October through April. Under no circumstances will Customers be permitted to use gas rendered through such meter for any purpose other than cooling or heating.

MINIMUM CHARGE: *The monthly Minimum Charge is the Customer Charge set forth above.*

Customer Charges will be determined at the commencement of each of the Company's fiscal years based upon Customer's consumption during the previous twelve (12) months or, in the event of new Customers, on annual projected consumption. Charges so established will remain in force for the ensuing twelve (12) months.

GAS COST RATE CLAUSE

Except for the purpose of reference in the *Commodity Charge*, the *Gas Cost Rate Clause* as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

ECONOMIC DEVELOPMENT DISCOUNT

Where applicable, the Economic Development Discount as set forth in Regulation 15 of the Rules and Regulations of this Tariff shall apply to the above rate.

CONTRACT

Standard gas service contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

Service under this rate is interruptible. Customers electing service under this rate shall have and maintain complete and adequate standby non-natural gas energy (e.g., oil, propane, electric, steam) and equipment for alternate operation in the event of interruption of gas service. Such Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate energy equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate energy when the outdoor temperature is at or below eighteen (18) degrees Fahrenheit (cut-off temperature) as determined by the Company from a central Company location. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge. However, if the Company determines that Emergency Gas Service is not available at the time that the cut-off temperature is reached, or subsequently, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate energy. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed

thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance.

As long as operating conditions permit, service under the effective BPS-L Rate will be restored when the outdoor temperature reaches twenty-three (23) degrees Fahrenheit (turn-on temperature) as determined by the Company from its central location. The Customer shall be notified by the Company of the restoration of service under this rate. At the time of the turn-on notification the Customer shall transfer from the alternate energy back to gas. All volumes consumed by the Customer, after such notification by the Company shall be billed at the effective BPS-L rate.

The Company reserves the right to change the cut-off/turn-on limits should it be necessary to do so in order to maintain adequate and efficient gas service generally, and shall endeavor to provide reasonable notice thereof.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a phone line within reasonable access to the gas meter location. The phone line must be set up so that an outside line can be obtained without manual intervention. The phone line may be a shared line, provided, however that other equipment does not interfere with Company telemetering.

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this Rate when he experiences interference with the use of his alternate energy and when the quantities of gas available to the Company and the distribution facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company. The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

BOILER AND POWER PLANT SERVICE - HEAVY OIL - RATE BPS-H

Rate: Applicable to all gas consumed
on or after July 14, 2000
Air Conditioning Provision: Effective July 14, 2000

AVAILABILITY

This rate is available for gas used for steam and/or hot water generation, and for gas used in plants defined by the Company as total energy plants, where the Company's distribution system is, or can economically be made available to supply the service; but gas service under this rate shall not be available as a replacement of gas service, unless the customer can demonstrate to the Company's satisfaction that it has the capacity and plans to continue to take gas service on an interruptible basis for at least one year. The Company's determination as to whether the service would amount to such replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement, contracting for not less than 5,000 Mcf of gas per year under the terms of this Tariff, in which shall be defined maximum and minimum quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$35.00 per month for Customers with annual consumption of less than 10,000 Mcf.
\$75.00 per month for Customers with annual consumption of between 10,000 Mcf and 100,000 Mcf, inclusive.
\$150.00 per month for Customers with annual consumption greater than 100,000 Mcf.

Plus

COMMODITY CHARGE:

Commodity Charge: The rate per Mcf calculated by Company shall be set at a level not greater than the rate charged to Customers under rate BPS-L nor less than the rate charged to Customers under rate LBS-S. Provided, however, that in no event shall the rate be less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company.

The Commodity Charge for Rate BPS-H Customers, as calculated above, will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

SPECIAL PROVISION - AIR CONDITIONING - For the billing months of May through September, the Commodity Charge shall become the lower of the prevailing month's BPS-H rate or 40.00 cents per 100 cubic feet for all gas used for cooling purposes. Provided, however, if one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company exceeds 40.00 cents per 100 cubic feet, then the rate under this provision shall be one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes as determined by the Company. This rate is applicable for directly and indirectly fired gas cooling equipment of minimum cooling capacity of 3 tons, installed on or after September 1, 1990. Where practicable, such equipment must be separately metered and the cost for any additional metering, related equipment and installation shall be subject to Regulation 10 of the Rules and Regulations of this tariff. Where separate metering is impracticable for directly or indirectly fired gas cooling and heating equipment, one meter shall be installed for the heating/cooling equipment and such gas rendered to the Customer through such meter will be charged at Rate BPS-H for the billing months October through April. Under no circumstances will Customers be permitted to use gas rendered through such meter for any purpose other than cooling or heating.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge set forth above.

Customer Charges will be determined at the commencement of each of the Company's fiscal years based upon Customer's consumption during the previous twelve (12) months or, in the event of new Customers, on annual projected consumption. Charges so established will remain in force for the ensuing twelve (12) months.

GAS COST RATE CLAUSE

Except for the purpose of reference in the Commodity Charge, the Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

ECONOMIC DEVELOPMENT DISCOUNT

Where applicable, the Economic Development Discount as set forth in Regulation 15 of the Rules and Regulations of this Tariff shall apply to the above rate.

CONTRACT

Standard gas service contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43

CONDITIONS OF USE

Service under this rate is interruptible. Customers electing service under this rate shall have and maintain complete and adequate standby No. 4 oil and equipment for alternate operation in the event of interruption of gas service. Such Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate fuel equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate fuel when the outdoor temperature is at or below eighteen (18) degrees Fahrenheit (cut-off temperature) as determined by the Company from a central Company location. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge. However, if the Company determines that Emergency Gas Service is not available at the time that the cut-off temperature is reached, or subsequently, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate fuel. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance.

As long as operating conditions permit, service under the effective BPS-H Rate will be restored when the outdoor temperature reaches twenty-three (23) degrees Fahrenheit (turn-on temperature) as determined by the Company from its central location. The Customer shall be notified by the Company of the restoration of service under this rate. At the time of the turn-on notification the Customer shall transfer from the alternate fuel back to gas. All volumes consumed by the Customer, after such notification by the Company shall be billed at the effective BPS-H rate.

The Company reserves the right to change the cut-off/turn-on limits should it be necessary to do so in order to maintain adequate and efficient gas service generally, and shall endeavor to provide reasonable notice thereof.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a phone line within reasonable access to the gas meter location. The phone line must be set up so that an outside line can be obtained without manual intervention. The phone line may be a shared line, provided, however that other equipment does not interfere with Company telemetering.

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this Rate when he experiences interference with the use of his alternate fuel and when the quantities of gas available to the Company and the distribution facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company. The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification.

LOAD BALANCING SERVICE - EXTRA-LARGE VOLUME - RATE LBS-XL

Rate: Effective July 14, 2000

AVAILABILITY

This rate is available for use in industrial and commercial establishments and multi-family residential buildings for seasonal gas uses, where the Company's facilities are, or can economically be made, available to supply the service; but gas service under this rate shall not be a replacement of gas service under any rate providing for uninterrupted gas service. The Company's determination as to whether the service would amount to such a replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement, contracting for an Annual Contract Quantity of not less than 350,000 Mcf of gas under the terms of this Tariff, in which shall be defined maximum and minimum daily quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$250.00 per month.

Plus

COMMODITY CHARGE:

The rate per Mcf shall be calculated by Company within a range computed to be from ten percent (10%) above to twenty percent (20%) below the numerical average of the high and the low posted consumer tank car price for No. 6 oil, having a sulphur content of one half of one percent (0.5%) at Philadelphia, as posted on the first twelve (12) business days (excluding Saturdays and Sundays) of the calendar month in which the calculation is being made, as published in *THE JOURNAL OF COMMERCE*, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, adjusted for Btu equivalence. (One cent per gallon being equivalent to 6.90 cents per Mcf.) Provided, however, in any month when the floor price calculated using the *JOURNAL OF COMMERCE* posted prices is more than ten percent (10%) higher than the preceding month's floor price, the floor price shall instead be one hundred and ten percent (110%) of the preceding month's floor price. Provided further that the rate per Mcf is not less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company. The rate so calculated will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT

Standard contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate to the Annual Contract Quantity specified in the Service Agreement with the Customer. The minimum charge shall be on a monthly service period basis and shall not be less than the Customer Charge.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

Service under this rate is interruptible, and Company reserves the right to interrupt service at Company's discretion. All Customers electing service under this rate shall have and maintain complete and adequate standby non-natural gas energy (e.g., oil, propane, electric, steam) and equipment for alternate operation in the event of interruption of gas service. All Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate energy equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate energy. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge, if Emergency Gas Service is available. However, if the Company determines that Emergency Gas Service is not available at the time of interruption, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate energy. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance. The Customer shall be notified by the Company of the restoration of service under this Rate. At the time of the turn-on notification the Customer shall transfer from the alternate energy back to gas. All volumes consumed by the Customer after such notification by the Company shall be billed at the LBS-XL rate.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a dedicated phone line and 120V electric service within reasonable access to the gas meter location for use by the telemetering equipment.

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this rate when he experiences interference with the use of his alternate energy and when the quantities of gas available to the Company and the Company's facilities are adequate to provide this service without jeopardizing a physical and economic operation of the Company.

The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself to this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.
noted herein.

LOAD BALANCING SERVICE - LARGE VOLUME - RATE LBS-L

Rate: Applicable to all gas consumed
on or after July 14, 2000

AVAILABILITY

This rate is available for use in industrial and commercial establishments and multi-family residential buildings for seasonal gas uses, where the Company's facilities are, or can economically be made, available to supply the service; but gas service under this rate shall not be a replacement of gas service under any rate providing for uninterrupted gas service. The Company's determination as to whether the service would amount to such a replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement, contracting for an Annual Contract Quantity of not less than 80,000 Mcf of gas under the terms of this Tariff, in which shall be defined maximum and minimum daily quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$175.00 per month.

Plus

COMMODITY CHARGE:

The rate per Mcf shall be calculated by Company within a range computed to be from ten percent (10%) above to twenty percent (20%) below the numerical average of the high and the low posted consumer tank car price for No. 6 oil, having a sulphur content of one half of one percent (0.5%) at Philadelphia, as posted on the first twelve (12) business days (excluding Saturdays and Sundays) of the calendar month in which the calculation is being made, as published in THE JOURNAL OF COMMERCE, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, adjusted for Btu equivalence. (One cent per gallon being equivalent to 6.90 cents per Mcf.) Provided, however, in any month when the floor price calculated using the JOURNAL OF COMMERCE posted prices is more than ten percent (10%) higher than the preceding month's floor price, the floor price shall instead be one hundred and ten percent (110%) of the preceding month's floor price. Provided further that the rate per Mcf is not less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company. The rate so calculated will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT

Standard contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate to the Annual Contract Quantity specified in the Service Agreement with the Customer. The minimum charge shall be on a monthly service period basis and shall not be less than the Customer Charge.

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

Service under this rate is interruptible, and Company reserves the right to interrupt service at Company's discretion. All Customers electing service under this rate shall have and maintain complete and adequate standby non-natural gas energy (e.g., oil, propane, electric, steam) and equipment for alternate operation in the event of interruption of gas service. All Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate energy equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate energy. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge, if Emergency Gas Service is available. However, if the Company determines that Emergency Gas Service is not available at the time of interruption, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate energy. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance. The Customer shall be notified by the Company of the restoration of service under this Rate. At the time of the turn-on notification the Customer shall transfer from the alternate energy back to gas. All volumes consumed by the Customer after such notification by the Company shall be billed at the LBS-L rate.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a dedicated phone line and 120V electric service within reasonable access to the gas meter location for use by the telemetering equipment

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this rate when he experiences interference with the use of his alternate energy and when the quantities of gas available to the Company and the Company's facilities are adequate to provide this service without jeopardizing a physical and economic operation of the Company.

The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself to this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.

LOAD BALANCING SERVICE - SMALL VOLUME - RATE LBS-S

Rate: Applicable to all gas consumed
on or after July 14, 2000

AVAILABILITY

This rate is available for use in industrial and commercial establishments and multi-family residential buildings for seasonal gas uses, where the Company's facilities are, or can economically be made, available to supply the service; but gas service under this rate shall not be a replacement of gas service under any rate providing for uninterrupted gas service. The Company's determination as to whether the service would amount to such a replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement, contracting for an Annual Contract Quantity of not less than 5,000 Mcf of gas under the terms of this Tariff, in which shall be defined maximum and minimum daily quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally. When, in the judgment of the Company, it is not economically feasible to separately meter small incidental pilot usage, it may be billed under this rate.

RATE

CUSTOMER CHARGE: \$100.00 per month.

Plus

COMMODITY CHARGE:

The rate per Mcf shall be calculated by Company within a range computed to be from ten percent (10%) above to fifteen percent (15%) below the numerical average of the high and the low posted consumer tank car price for No. 6 oil, having a sulphur content of one half of one percent (0.5%) at Philadelphia, as posted on the first twelve (12) business days (excluding Saturdays and Sundays) of the calendar month in which the calculation is being made, as published in THE JOURNAL OF COMMERCE, or a successor publication, or where none exists, a publication selected by the Company pending final approval of the Commission, adjusted for Btu equivalence. (One cent per gallon being equivalent to 6.90 cents per Mcf.) Provided, however, in any month when the floor price calculated using the JOURNAL OF COMMERCE posted prices is more than ten percent (10%) higher than the preceding month's floor price, the floor price shall instead be one hundred and ten percent (110%) of the preceding month's floor price. Provided further that the rate per Mcf is not less than one hundred and ten percent (110%) of the incremental gas costs for gas sold under this rate schedule plus an adjustment for all applicable taxes, as determined by the Company. The rate so calculated will be available by the eighteenth (18th) working day of each month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT

Standard contracts are for not less than a one year period, with monthly payments for service taken. The Company reserves the right to limit the amount of gas supplied under this rate to the Annual Contract Quantity specified in the Service Agreement with the Customer. The minimum charge shall be on a monthly service period basis and shall not be less than the Customer Charge.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

Service under this rate is interruptible, and Company reserves the right to interrupt service at Company's discretion. All Customers electing service under this rate shall have and maintain complete and adequate standby non-natural gas energy (e.g., oil, propane, electric, steam) and equipment for alternate operation in the event of interruption of gas service; however, new Customers electing service under this rate on and after July 14, 2000 shall have and maintain complete and adequate standby No. 5 or No. 6 oil and equipment for alternate operation in the event of interruption of gas service. All Customers shall also install and maintain a control device which allows the Customer to transfer the supply requirements hereunder between gas and the alternate energy equipment upon notice from the Company that such transfer is required. Under normal operating conditions, the Company will notify the Customer of the requirement to transfer to the alternate energy. All volumes of gas consumed by the Customer after such notification by the Company will be billed at the Emergency Gas Charge, if Emergency Gas Service is available. However, if the Company determines that Emergency Gas Service is not available at the time of interruption, the Company will notify the Customer of this condition, and the Customer shall be given a minimum of eight (8) hours to transfer to the alternate energy. Under emergency conditions on the system, notice to the Customer may be less than eight (8) hours. If the Customer fails to transfer within this specified time period, all volumes consumed thereafter shall be billed as Unauthorized Use. The Company may, in addition, at its discretion, shut off Customer to ensure compliance. The Customer shall be notified by the Company of the restoration of service under this Rate. At the time of the turn-on notification the Customer shall transfer from the alternate energy back to gas. All volumes consumed by the Customer after such notification by the Company shall be billed at the LBS-S rate.

Company utilizes telemetering equipment to measure the usage of gas for Customers under this rate. Customer, at Customer's cost, is responsible for installing and maintaining a dedicated phone line and 120V electric service within reasonable access to the gas meter location for use by the telemetering equipment.

SPECIAL PROVISION - EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this rate when he experiences interference with the use of his alternate energy and when the quantities of gas available to the Company and the Company's facilities are adequate to provide this service without jeopardizing a physical and economic operation of the Company.

The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself to this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

UNAUTHORIZED USE - If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion, shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.

GAS TRANSPORTATION SERVICE - RATE GTS
FIRM SERVICE

Rate: Effective November 28, 1989

AVAILABILITY

This transportation and delivery service is available to any qualifying new or existing Customer when the Company, in its sole judgment, determines that it has sufficient capacity to provide the service, in excess of the requirements of the other firm service Customers. Customers must own and deliver gas of a suitable quality to the Company at an acceptable point of receipt. Transportation service shall be provided by the Company within its service territory as agent for the individual Customer or for a Buyer Group of no more than three individual Customers who contracts for transportation and delivery by the Company of at least 75,000 Mcf of gas per year. One member of a Buyer Group shall be designated as the sole contact for all billing and communications with the Company and will be responsible for the total payment for transportation service to a Buyer Group. However, each member of the group remains jointly and severally liable for all transportation charges incurred by the Buyer Group.

Customer shall have and provide to the Company, upon request, all necessary documentation to support ownership of the gas and authorization by all regulatory bodies with jurisdiction.

Each Customer shall be required to execute a Service Agreement which will specify terms and conditions of service under this Rate Schedule.

CHARACTER OF SERVICE

Transportation service under this rate schedule is firm and shall be interrupted only in cases of operating emergencies experienced by the Company. Company assumes no liability for interruptions caused by failure of supply sources or by third parties such as pipeline transporters and shall not be obligated to deliver gas under this Rate Schedule on any day that gas is not received at its gate station for the Customer's account except as specified under provisions for Standby Service contained herein.

MONTHLY RATE

The Monthly Charge shall be the sum of the following:

1. **CUSTOMER CHARGE:** \$250.00 per month.
2. **DELIVERY CHARGE:**

The maximum Delivery Charge shall be the Commodity Charge for the otherwise applicable firm retail sales tariff less the base cost of fuel as set forth in Regulation 11. The Delivery Charge applicable for each Customer shall be specified in the individual Transportation Service Agreement and is subject to revision from time to time as authorized by the Philadelphia Gas Commission .

3. **TRANSPORTATION SURCHARGE:**

The Customer shall reimburse Company for any expense actually incurred for Customer's benefit from third party sources in the provision of this Service, such as directly assignable taxes , pipeline balancing penalties, governmentally imposed charges, and contingent liability for external transportation charges and fuel requirements. Additionally, for existing Customers , any unavoidable gas supply costs (e.g., pipeline demand charges) incurred on the Customer's behalf, may be recovered under this Surcharge. Such Surcharge is in addition to charges specified elsewhere in this Rate Schedule. Such potential charges are to be specifically defined and identified in the individual transportation service agreement.

4. **STANDBY SERVICE CHARGES, IF APPLICABLE:**

See Standby Service Provision.

5. **MINIMUM MONTHLY CHARGE:**

The minimum monthly charge shall be the Customer Charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to transported volumes. Similarly, such transported volumes and any expenses related to such volumes shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT TERM

The duration of the transportation contract shall be as specified in the required individual Service Agreement. In no event shall the contract term be for a period of less than one (1) year.

STANDBY SERVICE

Contingent upon the Company's ability to arrange the required supply contracts, a transportation Customer may contract for Standby Service to purchase gas from the Company under a specified retail rate schedule, in the event that the customer experiences an interruption or curtailment in transportation service by a third party transporter or supplier. The contract term for Standby Service shall be a minimum of one year. The maximum volume of gas that the Company is obligated to provide under the Standby Service on any day shall be specified in the individual Service Agreement. Volumes taken in excess of the specified daily limits, except for those volumes authorized and supplied by the Company under an applicable retail rate, may be subject to a charge of \$10 per Mcf if arrangements have been made for Emergency Service or \$20 per Mcf for all unauthorized volumes, as specified in the Conditions of Use provisions 6 and 7, respectively.

Under this Standby Service, upon proper notice, and as soon as operations permit, the Customer may convert some or all of their firm transportation service to the specified equivalent retail sales service during the effective period of this Standby Service Agreement. The Company is not obligated to provide retail sales service to a transportation Customer if the Customer has not contracted for Standby Service. Eligibility for such a Customer to receive retail gas service shall be no different than any other person or entity who is at the time making application for service as a new Customer.

A Customer contracting for Standby Service shall pay a monthly Reservation Charge that is equivalent to the demand charge paid by the Company to its highest cost pipeline supplier applied to the Customer's maximum Daily Contract Quantity as specified in the individual Service Agreement. The Company may revise the Reservation Charge no more frequently than monthly to reflect changes in the pipeline demand and related charges. The Reservation Charge prorated on a daily basis will be credited to all volumes purchased under the Standby Service. In addition, at the end of each contract year, the Customer will be assessed those minimum bill or take-or-pay charges actually paid by the Company to suppliers, which are attributable to the volume reserved but not taken under this Standby Service.

STANDBY SERVICE - SPECIAL PROVISION

For Customers contracting for delivery by the Company of 10,000 Mcf per day or more of transportation gas, the terms and conditions under which Standby Service will be provided will be as specified in their individual Service Agreements, in lieu of the above.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

1. The Company shall not be obligated to incur the cost of additional facilities to provide transportation service hereunder for existing load. Nonetheless, in the event the Company elects to provide additional facilities, which in the Company's sole judgment are required to provide transportation service, the cost of such facilities shall be the responsibility of the Customer. Customers may appeal the Company's judgment to the Commission. The Company shall provide, install, own and maintain such facilities. Where applicable, extensions and enlargements of gas supply facilities for qualifying new load shall be in accordance with Regulation 10.
2. The Customer warrants and will provide satisfactory documentation, upon request, that it has good and merchantable title for all gas delivered to the Company for transportation hereunder. Title shall be free and clear of all liens, encumbrances and claims whatsoever. Customer will indemnify Company and hold the Company harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of the adverse claims of any or all persons to said gas and/or to royalties, taxes, license fees or charges thereon, including pipeline transportation and service charges, which are applicable to such gas and/or the delivery of such gas to the Company.
3. The Company may retain for line loss and unaccounted-for gas a percentage of the total volume of gas delivered into its system for Customer's account. The percentage of gas to be retained by the Company shall be equivalent to the percentage for total system line loss and unaccounted-for, as utilized in the Company's Annual Operating Budget, as authorized by the Philadelphia Gas Commission. This condition may be revised as appropriate, by the individual Service Agreement, where the transported gas can be delivered directly to the Customer without commingling with other distribution system supplies.
4. In the event that the Company declares an "Emergency Situation" it may, at its discretion, divert Customer's gas for such purposes as Company deems appropriate and Customer will be compensated for such gas at the cost at which the Customer acquired the gas, at the Customer's cost of the alternate fuel utilized or at the Company's avoided cost of gas during the billing month, whichever is highest. The Customer shall demonstrate its cost of natural gas or replacement fuel by making a copy of its purchase contract available to Company upon request. All gas purchased by the Company will be credited to the Customer's account.

5. NOTICE AND BALANCING

The Notice and Balancing conditions shall be the following, except as otherwise provided in the individual Service Agreement.

The Company shall not be obligated to deliver or accept for delivery volumes in excess of the maximum hourly, daily or monthly volumes specified in the Service Agreement.

It is the intent of the Company that the Customer so manage his arrangements for daily deliveries of gas that they approximately equal his combined daily gas usage and that volume retained for line loss and unaccounted for adjustment. To facilitate this management and to avoid or correct imbalances, Customer may modify the quantities it intends to have delivered to Company's City Gate in accordance with the monthly and daily nomination procedure of the delivering pipeline. All delivery arrangements must be coordinated with Company's Gas Control Dispatcher in a manner deemed acceptable by Company. Company shall, within the limitations of its system, assist in the balancing effort.

The quantities of gas received on Customer's behalf will be balanced monthly on a thermally equivalent basis with those quantities re-delivered or retained for line loss and unaccounted for adjustment. For this thermal correction quantities will be multiplied by a fraction; the numerator of which is the weighted average Btu content per cubic foot of either the

Company's system (if commingled) or the individual transporting pipeline (if not commingled), and the denominator is a reference Btu content of 1,000 Btu per cubic foot.

Notice will be provided by Company's Gas Control Dispatcher, at the time of each individual Customer's daily nominations, as to the availability of retail gas backup in accordance with operating conditions and their contractual service obligations. On any day when retail backup is declared unavailable, all volumes used (including adjustment for line loss and unaccounted for gas) in excess of that delivered on such Customer's behalf that day, will be excluded from their daily and monthly balancing provisions. Such gas will be billed for at the rate of \$10 per Mcf if Emergency Gas was initially requested and approved or at the rate of \$20 per Mcf if Unauthorized, as specified in the Conditions of Use provisions 6 and 7, respectively.

ALLOWABLE IMBALANCES

Imbalances except as noted above, may be permitted within a range of $\pm 10\%$ on a daily basis if adjusted within $\pm 5\%$ by month's end. Company will advise Customer of potential imbalance conditions periodically to facilitate correction. But repeated excessive overruns or underruns of the hourly and daily gas volumes received for Customer's account may be considered grounds for termination of service under this rate. Monthly imbalances within the allowable limits shall be resolved through mutual adjustment of initial deliveries in the subsequent month of service.

CORRECTION FOR QUANTITIES OUTSIDE RANGE OF ALLOWABLE IMBALANCES

All volumes utilized in excess of the allowable monthly overrun, where retail sales backup had been authorized, will be considered sold to the Customer under the applicable equivalent retail rate.

All volumes delivered to the Company that remain unaccepted by the Customer, in excess of the allowable monthly underrun may be offered for sale to the Company or stored at the Customer's option. Gas may be purchased by the Company at a rate not to exceed the Company's avoided cost of gas for the month of delivery. In the event that the Company does not elect to purchase volumes in excess of the allowable underrun, a service charge for all such volumes carried forward by the Company will be made. These volumes will be the first deliveries in the subsequent month. The unit rate for this service charge will be the volumetrically weighted average of the 100% load factor unit cost of the Company's pipeline storage contracts as utilized in the Company's Annual Operating Budget authorized by the Commission. Upon temporary suspension of deliveries or termination of Rate GTS service, any existing underrun imbalance shall be corrected within sixty (60) days of the end of the month in which final deliveries are made. Otherwise they become the property of the Company at no cost to the Company.

6. EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas is not available under the otherwise applicable retail sales service, provided certain conditions apply and terms are met, and that the quantities of gas available to the Company and the distribution facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company. The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Customers who feel they may have to avail themselves of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

7. UNAUTHORIZED USE

If a Customer uses this service after being notified that service under this schedule is not available, or uses this service in excess of authorized limitations when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each Mcf. In addition, Company may, at its discretion, refuse to accept delivery from the Customer's Transporter, and physically shut off Customer to ensure compliance.

8. LIABILITY

The Company shall not be liable for curtailment of service under this Rate Schedule or loss of gas of the Customer as a result of any steps taken to comply with any law, regulation or order of any governmental agency with jurisdiction to regulate, allocate or control gas supplies or the rendering of service hereunder, and regardless of any defect in such law, regulation or order.

The Company reserves the right to commingle transport gas with its other supplies but gas is and remains the property of the Customer while being transported and delivered by the Company. The Customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during and after receipt by the Company.

The Company shall not be liable for any loss to the Customer or any other entity or person(s) arising from or out of service under this Rate Schedule, including loss of gas in the possession of the Company or any other cause.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the service under this classification except where noted herein.

**GAS TRANSPORTATION SERVICE - RATE GTS
INTERRUPTIBLE SERVICE**

Rate: Effective November 28, 1989

AVAILABILITY

This transportation and delivery service is available to any qualifying new or existing Customer when the Company, in its sole judgment, determines that it has sufficient capacity to provide the service, in excess of the requirements of the other Customers. Customers must own and deliver gas of a suitable quality to the Company at an acceptable point of receipt. Transportation service shall be provided by the Company within its service territory as agent for the individual Customer or for a Buyer Group of no more than three individual Customers who contracts for transportation and delivery by the Company of at least 75,000 Mcf of gas per year. One member of a Buyer Group shall be designated as the sole contact for all billing and communications with the Company and will be responsible for the total payment for transportation service to a Buyer Group. However, each member of the group remains jointly and severally liable for all transportation charges incurred by the Buyer Group.

Customer shall have and provide to the Company, upon request, all necessary documentation to support ownership of the gas and authorization by all regulatory bodies with jurisdiction.

Interruptible transportation service shall not be a replacement of service under any rate schedule providing for firm service.

Each Customer shall be required to execute a Service Agreement which will specify terms and conditions of service under this Rate Schedule.

CHARACTER OF SERVICE

Transportation service under this rate schedule is interruptible, paralleling the character of service of the otherwise applicable retail sales tariff. Service under this rate schedule shall be subordinate to all firm retail sales services and firm transportation services provided by the Company. The Company, at its sole discretion and on a best efforts basis, will endeavor to transport volumes received at the Company's City Gate for the Customer's account during periods when the otherwise applicable retail service is not available.

Company assumes no liability for interruptions caused by failure of supply sources or by third parties such as pipeline transporters and shall not be obligated to deliver gas under this Rate Schedule on any day that gas is not received at its gate station for the Customer's account except as specified under provisions for Standby Service contained herein.

MONTHLY RATE

The Monthly Charge shall be the sum of the following:

1. **CUSTOMER CHARGE:** \$250.00 per month.
2. **DELIVERY CHARGE:**

The maximum Delivery Charge shall be the interruptible margin, defined herein as the Commodity Charge for the otherwise applicable retail sales tariff less the avoided cost of gas as computed by the Company.

The Customer may elect either (i) a fixed annual Delivery Charge based on the annual interruptible margin in effect for the Company's operating fiscal year (currently September through August), or (ii) a variable monthly Delivery Charge. This variable charge shall be the monthly interruptible margin as experienced by the Company during the month of delivery. The Delivery Charge for volumes transported during periods when the otherwise applicable retail service is

not available shall be as specified in the individual service agreement.

The Customer shall make an election of either the fixed or variable Delivery Charge pricing methodology prior to the initiation of service hereunder and at each subsequent September 1st thereafter, to be effective for the following twelve months, or portion thereof, of the contract period.

The Delivery Charge applicable for each Customer shall be specified in the individual Transportation Service Agreement and is subject to revision from time to time as authorized by the Philadelphia Gas Commission.

3. **TRANSPORTATION SURCHARGE:**

The Customer shall reimburse Company for any expense actually incurred for Customer's benefit from third party sources in the provision of this Service, such as directly assignable taxes, pipeline balancing penalties, governmentally imposed charges, and contingent liability for external transportation charges and fuel requirements. Such Surcharge is in addition to charges specified elsewhere in this Rate Schedule. Such potential charges are to be specifically defined and identified in the individual transportation service agreement.

4. **STANDBY SERVICE CHARGES, IF APPLICABLE:**

See Standby Service Provisions.

5. **MINIMUM MONTHLY DELIVERY CHARGE:**

Except as otherwise provided in the individual service agreement, the Minimum Monthly Delivery Charge shall be the Daily Contract Quantity (DCQ) times one half the number of days transportation service is available in the billing month, times the applicable transportation Delivery Charge. The Minimum Monthly Delivery Charge shall be inapplicable when any of the following conditions occur:

- a) When the otherwise applicable retail sales service is not subject to a corresponding minimum charge; or
- b) When, for reasons, beyond the Customer's control, the Customer's gas burning equipment is temporarily inoperative; or
- c) When for reasons beyond the Customer's control, the Customer cannot obtain transportation from its pipeline transporter(s) to the Point of Receipt; or
- d) In emergency situations where the Company diverts the Customer's transportation gas to meet the requirements of its firm Customers.

During periods when the Minimum Monthly Delivery charge is inapplicable, the Customer Charge shall be the minimum monthly charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to transported volumes. Similarly, such transported volumes and any expenses related to such volumes shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT TERM

The duration of the transportation contract shall be as specified in the required individual Service Agreement. In no event shall the contract term be for a period of less than one (1) year.

STANDBY SERVICE

Contingent upon the Company's ability to arrange the required supply contracts, a transportation Customer may contract for Standby Service to purchase gas from the Company under a specified retail rate schedule, in the event that the Customer experiences an interruption or curtailment in transportation service by a third party transporter or supplier during the availability period of such equivalent retail sales service. The contract term for Standby Service shall be a minimum of one year. The maximum volume of gas that the Company is obligated to provide under the Standby Service on any day shall be specified in the individual Service Agreement. Volumes taken in excess of the specified daily limits, except for those volumes authorized and supplied by the Company under an applicable retail rate, may be subject to a charge of \$10 per Mcf if arrangements have been made for Emergency Service or \$20 per Mcf for all unauthorized volumes, as specified in the Conditions of Use provisions 6 and 7, respectively.

Under this Standby Service, upon proper notice to the Company, and as soon as operations permit, the Customer may convert some or all of their interruptible transportation service to the specified equivalent retail sales service during the effective period of this Standby Service Agreement. The Company is not obligated to provide retail sales service to a transportation Customer if the Customer has not contracted for Standby Service. Eligibility for such a Customer to receive retail sales service shall be no different than any other person or entity who is, at the time, making application for service as a new Customer.

A Customer contracting for Standby Service shall pay a monthly Reservation Charge. This charge shall be based on the demand charge paid by the Company to its highest cost pipeline supplier adjusted to reflect the limitation on the availability of Standby Service for interruptible Customers, and then applied to the Customer's maximum Daily Contract Quantity as specified in the individual Service Agreement. The Company may revise the Reservation Charge no more frequently than monthly to reflect changes in the pipeline demand and related charges. The Reservation Charge prorated on a daily basis will be credited to all volumes purchased under the Standby Service. In addition, at the end of each contract year, the Customer will be assessed those minimum bill or take-or-pay charges actually paid by the Company to suppliers, which are attributable to the volume reserved but not taken under this Standby Service.

STANDBY SERVICE - SPECIAL PROVISION

For Customers contracting for delivery by the Company of 10,000 Mcf per day or more of transportation gas, the terms and conditions under which Standby Service will be provided will be as specified in their individual Service Agreements, in lieu of the above.

TERMS OF PAYMENT

Bills shall be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

1. The Company shall not be obligated to incur the cost of additional facilities to provide transportation service hereunder for existing load. Nonetheless, in the event the Company elects to provide additional facilities, which in the Company's sole judgment are required to provide transportation service, the cost of such facilities shall be the responsibility of the Customer. Customers may appeal the Company's judgment to the Commission. The Company shall provide, install, own and maintain such facilities. Where applicable, extensions and enlargements of gas supply facilities for qualifying new load shall be in accordance with Regulation 10.
2. The Customer warrants and will provide satisfactory documentation, upon request, that it has good and merchantable title for all gas delivered to the Company for transportation hereunder. Title shall be free and clear of all liens,

encumbrances and claims whatsoever. Customer will indemnify Company and hold the Company harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of the adverse claims of any or all persons to said gas and/or to royalties, taxes, license fees or charges thereon, including pipeline transportation and service charges, which are applicable to such gas and/or the delivery of such gas to the Company.

3. The Company may retain for line loss and unaccounted-for gas a percentage of the total volume of gas delivered into its system for Customer's account. The percentage of gas to be retained by the Company shall be equivalent to the percentage for total system line loss and unaccounted-for, as utilized in the Company's Annual Operating Budget, as authorized by the Philadelphia Gas Commission. This condition may be revised as appropriate, by the individual Service Agreement, where the transported gas can be delivered directly to the Customer without commingling with other distribution system supplies.
4. In the event that the Company declares an "Emergency Situation" it may, at its discretion, divert Customer's gas for such purposes as Company deems appropriate and Customer will be compensated for such gas at the cost at which the Customer acquired the gas, at the Customer's cost of the alternate fuel utilized or at the Company's avoided cost of gas during the billing month, whichever is highest. The Customer shall demonstrate its cost of natural gas or replacement fuel by making a copy of its purchase contract available to Company upon request. All gas purchased by the Company will be credited to the Customer's account.
5. NOTICE AND BALANCING

The Notice and Balancing conditions shall be the following, except as otherwise provided in the individual Service Agreement.

The Company shall not be obligated to deliver or accept for delivery volumes in excess of the maximum hourly, daily or monthly volumes specified in the Service Agreement.

It is the intent of the Company that the Customer so manage his arrangements for daily deliveries of gas that they approximately equal his combined daily gas usage and that volume retained for line loss and unaccounted for adjustment. To facilitate this management and to avoid or correct imbalances, Customer may modify the quantities it intends to have delivered to Company's City Gate in accordance with the monthly and daily nomination procedure of the delivering pipeline. All delivery arrangements must be coordinated with Company's Gas Control Dispatcher in a manner deemed acceptable by Company. Company shall, within the limitations of its system, assist in the balancing effort.

The quantities of gas received on Customer's behalf will be balanced monthly on a thermally equivalent basis with those quantities re-delivered or retained for line loss and unaccounted for adjustment. For this thermal correction quantities will be multiplied by a fraction; the numerator of which is the weighted average Btu content per cubic foot of either the Company's system (if commingled) or the individual transporting pipeline (if not commingled), and the denominator is a reference Btu content of 1,000 Btu per cubic foot.

Notice will be provided by Company's Gas Control Dispatcher, at the time of each individual Customer's daily nominations, as to the availability of retail gas backup in accordance with operating conditions and their contractual service obligations. On any day when retail backup is declared unavailable, all volumes used (including adjustment for line loss and unaccounted for gas) in excess of that delivered on such Customer's behalf that day, will be excluded from their daily and monthly balancing provisions. Such gas will be billed for at the rate of \$10 per Mcf if Emergency Gas was initially requested and approved or at the rate of \$20 per Mcf if Unauthorized, as specified in the Conditions of Use provisions 6 and 7, respectively.

ALLOWABLE IMBALANCES

Imbalances except as noted above, may be permitted within a range of $\pm 10\%$ on a daily basis if adjusted within $\pm 5\%$ by month's end. Company will advise Customer of potential imbalance conditions periodically to facilitate correction. But repeated excessive overruns or underruns of the hourly and daily gas volumes received for Customer's account may be considered grounds for termination of service under this rate. Monthly imbalances within the allowable limits shall be resolved through mutual adjustment of initial

deliveries in the subsequent month of service.

CORRECTION FOR QUANTITIES OUTSIDE RANGE OF ALLOWABLE IMBALANCES

All volumes utilized in excess of the allowable monthly overrun, where retail sales backup had been authorized, will be considered sold to the Customer under the applicable equivalent retail rate.

All volumes delivered to the Company that remain unaccepted by the Customer, in excess of the allowable monthly underrun may be offered for sale to the Company or stored at the Customer's option. Gas may be purchased by the Company at a rate not to exceed the Company's avoided cost of gas for the month of delivery. In the event that the Company does not elect to purchase volumes in excess of the allowable underrun, a service charge for all such volumes carried forward by the Company will be made. These volumes will be the first deliveries in the subsequent month. The unit rate for this service charge will be the volumetrically weighted average of the 100% load factor unit cost of the Company's pipeline storage contracts as utilized in the Company's Annual Operating Budget authorized by the Commission. Upon temporary suspension of deliveries or termination of Rate GTS service, any existing underrun imbalance shall be corrected within sixty (60) days of the end of the month in which final deliveries are made. Otherwise they become the property of the Company at no cost to the Company.

6. EMERGENCY GAS

Emergency gas is defined as a service to be offered by the Company when gas is not available under the otherwise applicable retail sales service, provided certain conditions apply and terms are met, and that the quantities of gas available to the Company and the distribution facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company. The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Customers who feel they may have to avail themselves of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

7. UNAUTHORIZED USE

If a Customer uses this service after being notified that service under this schedule is not available, or uses this service in excess of authorized limitations when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each Mcf. In addition, Company may, at its discretion, refuse to accept delivery from the Customer's Transporter, and physically shut off Customer to ensure compliance.

8. LIABILITY

The Company shall not be liable for curtailment of service under this Rate Schedule or loss of gas of the Customer as a result of any steps taken to comply with any law, regulation or order of any governmental agency with jurisdiction to regulate, allocate or control gas supplies or the rendering of service hereunder, and regardless of any defect in such law, regulation or order.

The Company reserves the right to commingle transport gas with its other supplies but gas is and remains the property of the Customer while being transported and delivered by the Company. The Customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during and after receipt by the Company.

The Company shall not be liable for any loss to the Customer or any other entity or person(s) arising from or out of service under this Rate Schedule, including loss of gas in the possession of the Company or any other cause.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the service under this classification except where noted herein.

COGENERATION SERVICE – RATE CG

Rate: Effective July 14, 2000

AVAILABILITY

This service is available to any new or existing commercial or industrial customer for gas use in any form of combined cooling, heating and power production where there is a sequential production of energy and useful thermal energy from the same fuel source or in the sequential production of electrical energy and useful thermal energy from the same fuel source by a qualifying facility as defined in Section 201 of the Public Utility Regulatory Policies Act of 1978, regularly meeting the efficiency standards set forth in Chapter 18 of the Federal Regulations, Sections 292.205 (a) and (b). The Customer must certify that qualifying status has been granted by the Federal Energy Regulatory Commission or must demonstrate to the Company its ability to utilize waste heat created from one process by using natural gas in a second process. The waste heat may be generated from any form, such as power production, heating, cooling, or process applications. The waste heat recovered may be used for any domestic, commercial or industrial applications. The determination by the Company as to the Customer's ability to co-generate will be final. This service will be available where the Company's facilities are, or can economically be made, available to supply the service; but gas service under this rate shall not be a replacement of gas service under any rate providing for uninterruptible gas service. The Company's determination as to whether the service would amount to such a replacement shall be final. An applicant for service under this rate shall be required to execute a Service Agreement in which shall be defined maximum and minimum quantities of gas to be delivered. The number of Customers to receive service under this rate, at any single time, may be limited by the Company in order to maintain adequate and efficient gas service generally.

CHARACTER OF SERVICE

Service under this Rate Schedule is interruptible, and shall be subordinate to all firm services. Customer is advised of their responsibility to maintain capability of satisfying their requirements during any period when service is interrupted. Interruptions may occur for economic or operational considerations at any time ; however, service under this Rate Schedule will be interrupted based upon the price priority of Rate Schedule LBS, No.6 fuel oil alternate service; the service providing the lowest net contribution to be interrupted first.

RATE

CUSTOMER CHARGE: \$250.00 per month.

Plus

COMMODITY CHARGE:

The monthly Commodity Charge for each one hundred cubic feet of gas used shall be set equal to the average commodity cost of gas purchased and delivered to PGW's gate stations, including an allowance for Unaccounted for losses where applicable, plus a fixed contribution of 7.5 cents per Ccf.

For Customers contracting under this service for over 1,000,000 Mcf of gas per year, the above fixed contribution shall be determined by negotiation between the Customer and the Company provided, however, that the contribution, so determined, shall not be less than 10% of the above computed cost of gas.

This commodity charge shall be applicable so long as the facility is operating in the cogeneration mode. In the event of operations otherwise, the gas utilized will be billed at the appropriate Rate LBS charge.

MINIMUM CHARGE: The monthly Minimum Charge is the Customer Charge.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT TERM

The duration of the gas service contract shall be as specified in the required individual Service Agreement . In no event shall the contract term be for a period of less than one (1) year.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

1. The Customer will be required to pay for the investment in facilities which PGW installs to provide service under this rate schedule. The Company shall own and maintain such facilities.
2. Gas used for cogeneration purposes shall be separately metered, where in the Company's judgment, separate metering is practicable. If the Company determines that separate metering is not appropriate, cogeneration use shall be estimated by the Company for billing purposes.
3. For existing Customers qualifying for service under this rate schedule, monthly base period usage levels will be defined in the individual service agreement. Monthly usage up to these specified levels will continue to be billed as the first gas through the meter each month at the then current level of the Rate Schedule under which the Customer is now receiving service, followed by all qualifying volumes billed under this Cogeneration Service.
4. **EMERGENCY GAS-** Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate and provided certain conditions apply and terms are met. A Customer may qualify for emergency gas under this rate when he experiences interference with the use of his alternate fuel and when the quantities of gas available to the Company and the Company's facilities are adequate to provide this service without jeopardizing a physical or economic operation of the Company.

The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service is \$100.00 per occurrence.

Any Customer who feels he may have to avail himself of this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

5. **UNAUTHORIZED USE -** If a Customer uses gas after he has been notified that gas is not available under this schedule, or uses gas in excess of his authorized limitation when established and duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion,

shut off Customer to ensure compliance.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.

DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS

Firm Service

Rate: Effective June 14, 1994

AVAILABILITY

This service is available to provide uncompressed natural gas to any Customer for the exclusive purpose of compressing such gas for use as fuel for motor vehicles. The compression of the natural gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a Service Agreement which will specify terms and conditions of service.

CHARACTER OF SERVICE

Service under this Rate Schedule is firm and shall only be interrupted in the case of operating emergencies experienced by the Company.

MONTHLY RATE

CUSTOMER CHARGE: \$35.00 per month

COMMODITY CHARGE:

For all monthly usage up to 7 times
the Maximum Daily Quantity (MDQ)..... \$7.12 per Mcf

For additional usage up to the next
7 times the MDQ..... \$4.80 per Mcf

For all additional volumes..... \$4.00 per Mcf

Maximum Daily Quantity (MDQ)

The Maximum Daily Quantity represents the highest daily use of natural gas by the Customer. The level of the MDQ for a particular Customer will be determined at the commencement of each of the Company's fiscal years based upon the Customer's maximum daily use during the previous twelve (12) month period. Where daily usage data is not recorded on an on-going basis, the Customer's MDQ shall be the Customer's highest average daily use computed for any month in the previous twelve (12) month period. The level of the MDQ so established will remain in effect for each month of the ensuing Company fiscal year. Where the Customer is a new Customer, or does not have usage in at least three (3) of the previous twelve (12) months, the Customer's usage will be billed at a flat rate equal to the average rate for a customer with a 70% load factor and no MDQ will be applied.

Minimum Charge

The monthly minimum charge is the Customer Charge, plus the Commodity Charge rate multiplied by 6 times the Customer's MDQ where the MDQ is applicable.

Applicable Taxes

The Customer will reimburse the Company for all taxes payable by the Company to any governmental body on sales of gas and/or for services rendered under this Rate Schedule.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall apply to the above rate.

CONTRACT TERM

The duration of the contract for service under this Rate Schedule shall be as specified in the required individual Service Agreement. In no event shall the contract term be for a period of less than one (1) year.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

1. All gas volumes received under this Rate Schedule shall be separately metered. The use of such gas for any purpose other than as a fuel for motor vehicles is prohibited. The Company reserves the right to inspect the facilities and equipment of Customer to ensure compliance. Violation of this provision may be grounds for termination of service, and may subject the Customer to penalty charges for unauthorized gas usage.
2. The Company is not obligated to construct compressor stations for dispensing gas under this Rate Schedule. However, if the Company in its sole judgment, elects to construct or acquire such facilities, and establishes public access to these facilities, the charge for compression of natural gas and refueling at the Company Station, will be set forth in the Service Agreement with Customers contracting for such service.
3. The Company agrees to provide uncompressed natural gas to the Customer under this service for the exclusive purpose of compressing such gas for use as a fuel for motor vehicles. Customer assumes the responsibility for the operation and maintenance of the compressor station in compliance with all local, state and federal laws regulating such facilities.

Customer will, therefore, indemnify and hold harmless the Company, and its respective officers, employees, agents and representatives from any and all causes of action of any kind arising from or related to any event subsequent to the Company's delivery of natural gas under this rate to the designated delivery point.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.

DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS

Interruptible Service

Rate: Effective June 14, 1994

AVAILABILITY

This service is available to provide uncompressed natural gas to any Customer for the exclusive purpose of compressing such gas for use as fuel for motor vehicles. The compression of the natural gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a Service Agreement which will specify terms and conditions of service.

CHARACTER OF SERVICE

Service under this Rate Schedule shall be provided as long as the Company has sufficient supplies to meet the requirements of the Customers within this class, in addition to the requirements of the firm customer classes, as determined by the Company.

MONTHLY RATE

CUSTOMER CHARGE: \$35.00 per month

COMMODITY CHARGE:

The monthly rate per Mcf shall be set at a level not greater than fifty percent of the reference gasoline price, as defined below. Except that, in no event, will the rate for the volumes delivered hereunder be set at a level less than one hundred and ten percent of the incremental cost of the natural gas to provide service, plus an adjustment for all applicable taxes, as determined by the Company.

Reference Gasoline

The reference gasoline shall be either unleaded regular gasoline or its oxygenated/reformulated gasoline substitute, as determined by the Company. The reference price for such fuel shall be the average price for the regular grade, in Philadelphia, as published in the "PAD 1 Report" in the third weekly issue of the Oil Price Information Service for the calculation month. The gasoline price shall be adjusted for Btu equivalence. (One cent per gallon being equivalent to 8.1 cents per Mcf for unleaded regular gasoline, and 8.3 cents per Mcf for the reformulated substitute.)

The Commodity Charge, so calculated, will be available by the eighteenth (18) working day of that month, and will be applicable for the subsequent calendar month, to the extent that service under this rate can be made available.

Should market conditions warrant, the Commodity Charge may be modified to reflect a more appropriate reference fuel, which shall be specified in individual Service Agreements. Sixty days notice of any such modification will be provided to Customers, if applicable generally to this class.

Minimum Charge: The monthly Minimum Charge is the Customer charge set forth above.

Applicable Taxes: The Customer will reimburse the Company for all taxes payable by the Company to any governmental body on sales of gas and/or for services rendered under this Rate Schedule.

GAS COST RATE CLAUSE

The Gas Cost Rate Clause as set forth in Regulation 11 of the Rules and Regulations of this Tariff shall NOT apply to the above rate. Similarly volumes delivered under this rate and fuel expense attributable thereto shall be excluded from all calculations determining such Gas Cost Rate.

CONTRACT TERM

The duration of the contract for service under this Rate Schedule shall be as specified in the required individual Service Agreement. In no event shall the contract term be for a period of less than one (1) year.

GAS MEASUREMENT

The quantity of gas consumed will be corrected for billing purposes to conditions of 14.73 pounds per square inch absolute pressure and sixty degrees Fahrenheit.

TERMS OF PAYMENT

Bills will be rendered and payment terms applied in accordance with the provisions of Regulations 3.31, 3.32, 3.33, 3.34, 3.36, 3.41, 3.42 and 3.43.

CONDITIONS OF USE

1. All gas volumes received under this Rate Schedule shall be separately metered. The use of such gas for any purpose other than as a fuel for motor vehicles is prohibited. The Company reserves the right to inspect the facilities and equipment of Customer to ensure compliance. Violation of this provision may be grounds for termination of service, and may subject the Customer to penalty charges for unauthorized gas usage.
2. The Company is not obligated to construct compressor stations for dispensing gas under this Rate Schedule. However, if the Company in its sole judgment, elects to construct or acquire such facilities, and establishes public access to these facilities, the charge for compression of natural gas and refueling at the Company Station, will be set forth in the Service Agreement with Customers contracting for such service.
3. EMERGENCY GAS - Emergency gas is defined as a service to be offered by the Company when gas would otherwise not be available under this rate, provided certain conditions apply and terms are met, and provided that the quantities of gas available to the Company and the Company's facilities are adequate to provide this service without jeopardizing the physical or economic operation of the Company.

The cost of providing this emergency service is \$10.00 for each thousand cubic feet of gas used. The minimum charge for this service \$100.00 per occurrence.

Any Customer who feels that they may have to utilize this service should send for a copy of the Terms and Conditions of Availability under which this emergency service may be obtained.

4. UNAUTHORIZED USE - If a Customer uses gas after being notified that gas is not available under this schedule, or uses gas in excess of authorized limitations when established and the Customer is duly notified, all such unauthorized usage shall be billed at the rate of \$20.00 for each thousand cubic feet. Company may, in addition, at its discretion discontinue service to the Customer to ensure compliance.
5. The Company agrees to provide uncompressed natural gas to the Customer under this service for exclusive purpose of compressing such gas for use as a fuel for motor vehicles. Customer assumes the responsibility for the operation and maintenance of the compressor station in compliance with all local, state and federal laws regulating such facilities.

Customer will, therefore, indemnify and hold harmless the Company, and its respective officers, employees, agents and representatives from any and all causes of action of any kind arising from or related to any event subsequent to the Company's delivery of natural gas under this rate to the designated delivery point.

RULES AND REGULATIONS

The Rules and Regulations set forth in this Tariff shall govern the supply of gas under this classification except where noted herein.