

COLUMBIA GAS OF PENNSYLVANIA, INC.  
COMPUTATION OF CHANGE IN RATE PURSUANT TO SECTION 1307(f)  
APPLICATION PERIOD: OCTOBER, 2015 THROUGH SEPTEMBER, 2016

Line No.	Description	Amount
		(1)
1	<u>Purchased Gas Commodity Cost</u>	\$
2	Commodity Cost of Gas (Exhibit 1-B, Schedule 1)	106,312,879
3	Projected tariff sales for the twelve billing periods of	
4	October, 2015 through September, 2016	332,649,766 Therms
5	PGCC prior to Off System Sales Credit (Line 2 / Line 4)	0.31959
6	Off System Sales and Capacity Release Credit	<u>(0.01001)</u>
7	PGCC (Line 5 + Line 6)	0.30958
8	<u>Commodity (Over)/Under Collection</u>	
9	Commodity E-Factor	
10	(Exhibit No. 1-E)	(11,870,993)
11	Projected sales for the twelve billing periods of	
12	October, 2015 through September, 2016	<u>334,631,768 Therms</u>
13	Commodity E-Factor (Line 10/ Line 12)	(0.03547)
14	<u>Purchased Gas Demand Cost</u>	
15	Demand cost of gas (Exhibit 1-B, Schedule 1)	62,425,337
16	Less: Purchased Gas Demand recovered under Rate SS	
17	(Exhibit 1-A, Schedule 2, Sheet 2)	489,345
18	Less: Purchased Gas Demand Cost allocated to Rates LTS, STS,	
19	SGS-TS and MLS (Exh 1-A, Sch 2, Sheet 3)	<u>0</u>
20	Subtotal (Line 15 - Line 17 - Line 19)	61,935,992
21	Projected sales for the twelve billing periods of	
22	October, 2015 through September, 2016	1_ / 468,241,144 Therms
23	PGDC Rate prior to Capacity Release Credit (Line 20 / Line 22)	0.13227
24	Off System Sales and Capacity Release Credit	<u>(0.00474)</u>
25	PGDC Rate	0.12753
26	<u>Demand (Over)/Under Collection</u>	
27	Demand E- Factor	
28	(Exhibit No. 1-E)	(1,513,967)
29	Projected sales for the twelve billing periods of	
30	October, 2015 through September, 2016	1_ / 468,241,144 Therms
31	Demand E-Factor (Line 28 / Line 30)	(0.00323)
32	<u>Total Purchased Gas Cost</u>	
33	PGCC Rate (Line 7)	0.30958
34	PGDC Rate (Line 25)	<u>0.12753</u>
35	PGC Rate	0.43711
36	Currently effective PGC	<u>0.56666</u>
37	Increase (Decrease) in PGC	(0.12955)
38	<u>Net (Over) Under Collection</u>	
39	Commodity E-Factor (Line 13)	(0.03547)
40	Demand E-Factor (Line 31)	<u>(0.00323)</u>
41	E-Factor	(0.03870)
42	Currently effective E-Factor	<u>(0.02775)</u>
43	Increase (Decrease) in E-Factor	(0.01095)
44	PGC Rate	0.43711
45	E-Factor	<u>(0.03870)</u>
46	Total Rate	0.39841
47	Currently effective Rate	<u>0.53891</u>
48	Increase (Decrease) in Rate	(0.14050)

1\_ / Includes 135,591,000 Therm Transportation Volumes for the Company's Choice Program

COLUMBIA GAS OF PENNSYLVANIA, INC.  
PURCHASED GAS COST RECOVERED UNDER RATES SS  
AND COMPUTATION OF DAILY PURCHASED GAS DEMAND  
APPLICATION PERIOD: OCTOBER, 2015 THROUGH SEPTEMBER, 2016

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Detail</u> (1)	<u>Total</u> (2) \$
1	Total estimated demand charges for the period		
2	October, 2015 through September, 2016	62,425,337	
3	Estimated demand volumes (Therms) 1_/	81,134,160	
4	Daily purchased gas demand rate (Line 2 / line 3)	<u>\$ 0.76941</u> per Therm	
5	Daily purchased gas demand (Therms)	636,000 Therms	
6	Daily purchased gas demand rate per Therm	<u>\$ 0.76941</u>	
7	Total rate SS daily demand cost		
8	recovered (Line 5 x Line 6)		<u>\$ 489,345</u>
	1_/ Monthly Demand Billing Determinants x 12	81,134,160 Therms	

COLUMBIA GAS OF PENNSYLVANIA, INC.  
SUMMARY OF PROJECTED SALES VOLUMES AND REVENUES FOR THE PERIOD  
SALES AT PGCC AND PGDC RATES  
OCTOBER, 2015 THROUGH SEPTEMBER, 2016

Line No.	Month	Sales Subject To PGCC (1) Therms	PGCC Rate* (2) \$/Therm	PGCC Revenue (3=1x2) \$	Sales Subject To PGDC (4) Therms	PGDC Rate * (5) \$/Therm	PGDC Revenue (6=4x5) \$	Purchased Gas Cost Revenue (7=3+6) \$
1	October - 2015	8,654,447	0.31959	2,765,875	13,087,581	0.13227	1,731,094	4,496,969
2	November	22,859,199	0.31959	7,305,571	32,914,166	0.13227	4,353,557	11,659,128
3	December	46,069,413	0.31959	14,723,324	64,416,973	0.13227	8,520,433	23,243,757
4	January - 2016	63,239,954	0.31959	20,210,857	88,121,214	0.13227	11,655,793	31,866,650
5	February	63,360,072	0.31959	20,249,245	87,831,416	0.13227	11,617,461	31,866,706
6	March	55,130,112	0.31959	17,619,032	76,012,484	0.13227	10,054,171	27,673,203
7	April	33,430,088	0.31959	10,683,922	47,025,440	0.13227	6,220,055	16,903,977
8	May	15,625,070	0.31959	4,993,616	22,696,670	0.13227	3,002,089	7,995,705
9	June	8,635,470	0.31959	2,759,810	12,584,223	0.13227	1,664,515	4,424,325
10	July	5,435,033	0.31959	1,736,982	8,096,526	0.13227	1,070,927	2,807,909
11	August	4,945,778	0.31959	1,580,621	7,494,803	0.13227	991,338	2,571,959
12	September	<u>5,265,130</u>	0.31959	<u>1,682,683</u>	<u>7,959,648</u>	0.13227	<u>1,052,823</u>	<u>2,735,506</u>
13	Total	332,649,766		106,311,538	468,241,144		61,934,256	168,245,794

\*Note: Excludes refunds and experienced over/undercollections

COLUMBIA GAS OF PENNSYLVANIA, INC.  
SUMMARY OF PROJECTED SALES VOLUMES AND REVENUES FOR THE PERIOD  
SALES AT STANDBY RATE  
OCTOBER, 2015 THROUGH SEPTEMBER, 2016

Line No.	Month	Daily Purchased Gas Demand Volumes (1) Therms	Daily Gas Demand Rate (2) \$/Therm	Daily Purchased Gas Demand Revenue (3=1x2) \$
1	October - 2015	53,000	0.76941	40,779
2	November	53,000	0.76941	40,779
3	December	53,000	0.76941	40,779
4	January - 2016	53,000	0.76941	40,779
5	February	53,000	0.76941	40,779
6	March	53,000	0.76941	40,779
7	April	53,000	0.76941	40,779
8	May	53,000	0.76941	40,779
9	June	53,000	0.76941	40,779
10	July	53,000	0.76941	40,779
11	August	53,000	0.76941	40,779
12	September	<u>53,000</u>	0.76941	<u>40,779</u>
13	Total	636,000		489,345

COLUMBIA GAS OF PENNSYLVANIA, INC.  
SUMMARY OF PROJECTED SALES VOLUMES AND REVENUES FOR THE PERIOD  
SALES AT BANKING AND BALANCING RATES  
OCTOBER, 2015 THROUGH SEPTEMBER, 2016

Line No.	Month	Large Volume GDS			Small Volume GDS			Total Trans. Revenue
		Deliveries (1) Therms	Rate (2) \$/Therm	Revenue (3=1x2) \$	Deliveries (4) Therms	Rate (5) \$/Therm	Revenue (6=4x5) \$	(7=3+6) \$
1	October - 2015	0	0.00226	0	0	0.00697	0	0
2	November	0	0.00226	0	0	0.00697	0	0
3	December	0	0.00226	0	0	0.00697	0	0
4	January - 2016	0	0.00226	0	0	0.00697	0	0
5	February	0	0.00226	0	0	0.00697	0	0
6	March	0	0.00226	0	0	0.00697	0	0
7	April	0	0.00226	0	0	0.00697	0	0
8	May	0	0.00226	0	0	0.00697	0	0
9	June	0	0.00226	0	0	0.00697	0	0
10	July	0	0.00226	0	0	0.00697	0	0
11	August	0	0.00226	0	0	0.00697	0	0
12	September	<u>0</u>	<u>0.00226</u>	<u>0</u>	<u>0</u>	<u>0.00697</u>	<u>0</u>	<u>0</u>
13	Total	0		0	0		0	0

COLUMBIA GAS OF PENNSYLVANIA, INC.  
SUMMARY OF PROJECTED TOTAL OVER/UNDERCOLLECTION  
FOR THE 2014 1307(f) PERIOD  
OCTOBER, 2015 THROUGH SEPTEMBER, 2016

Line No.	Month	Commodity Recoveries PGCC Revenue	Total Commodity Cost of Gas 1_ /	Commodity Over/ Undercollection	Demand Recoveries PGDC Revenue	Total Demand Cost of Gas 1_ /	Demand Over/ Undercollection	Total Over/ Undercollection
		(1)	(2)	(3=1-2)	(4)	(5)	(6=4-5)	(7=3+6)
		\$	\$	\$	\$	\$	\$	\$
1	October - 2015	2,765,875	4,410,810	(1,644,935)	1,771,873	5,837,733	(4,065,860)	(5,710,795)
2	November	7,305,571	11,434,875	(4,129,304)	4,394,335	5,906,688	(1,512,353)	(5,641,657)
3	December	14,723,324	18,587,332	(3,864,008)	8,561,212	5,956,208	2,605,004	(1,259,004)
4	January - 2016	20,210,857	23,159,395	(2,948,538)	11,696,572	5,956,208	5,740,364	2,791,826
5	February	20,249,245	20,118,351	130,894	11,658,240	5,956,208	5,702,032	5,832,926
6	March	17,619,032	15,599,542	2,019,490	10,094,950	5,956,208	4,138,742	6,158,232
7	April	10,683,922	6,507,015	4,176,907	6,260,834	4,476,014	1,784,820	5,961,727
8	May	4,993,616	2,788,689	2,204,927	3,042,867	4,476,014	(1,433,147)	771,780
9	June	2,759,810	966,822	1,792,988	1,705,294	4,476,014	(2,770,720)	(977,732)
10	July	1,736,982	839,522	897,460	1,111,706	4,476,014	(3,364,308)	(2,466,848)
11	August	1,580,621	772,527	808,094	1,032,116	4,476,014	(3,443,898)	(2,635,804)
12	September	1,682,683	1,127,999	554,684	1,093,601	4,476,014	(3,382,413)	(2,827,729)
13	Total	106,311,538	106,312,879	(1,342)	62,423,601	62,425,337	(1,736)	(3,077)

1\_ / Refer to Exhibit 1-B, Schedule No. 1.

Columbia Gas of Pennsylvania, Inc.  
Capacity Assignment Factor  
Assignment of FT Only

Purchased Gas Demand Charge (PGDC) Paid By the CHOICE Customer  
Rates Based on Projected Costs For 12 Months Ending September, 2016

\$62,425,337	1. Demand Costs per 1307(f) Filing (Exhibit 1-B, Schedule 1)
(489,345)	1a. Less Purchased Gas Demand Costs Recovered Under Rate SS (Exhibit 1-A, Schedule 1, Sheet 2)
0	1b. Less Purchased Gas Demand Allocated to Rates LTS, STS, SGS-TS, and MLS (Exhibit 1-A, Schedule 2, Sheet 3)
<u>(1,513,967)</u>	1c. Experienced Demand Net Overcollection (Exhibit No. 1-E)
<u>\$60,422,025</u>	2. Total Adjusted Demand Costs per 1307(f) Filing (1) + (1a) + (1b) + (1c)
\$126.08 per Dth	3. Unit FT Demand Charge Per Mcf of Gulf/TCO capacity the marketer would pay Gulf and TCO. (Exhibit 1-A, Schedule 3, Sheet 2)
46,824 MMDth	4. Projected Sales & Choice Requirements for 12 billing periods of October, 2014 through September, 2015
47,058 MMDth	5. Projected Sales & Choice Requirements 12 months ended September 2015, including Unaccounted For @ 0.5%
21,755 MMDth	6. Annual Injections and Withdrawals, Normal Weather
1 Dth	7a. Volume Delivered to the Customer
<u>0.5%</u>	7b. Unaccounted-for & Co. Use Factor
1.0050 Dth	7c. Volume Delivered to the City Gate. (7a)/(1-7b)
\$1.2904 per Dth	8. Unit Demand Charge: (2) / (4)
(\$0.0474) per Dth	9. OSS and Capacity Release Credit
0.0028 Dth	10. Average Daily FT Delivery: (7c) / 365 days
\$0.3530 per Dth	11. Annual Demand Charge for the Assigned FT Capacity payable to the pipeline(s): (3) X (10)
\$0.9374 per Dth	12. Annual Demand Charge for other capacity that CPA retains (8) - (11)
0.4646 Dth	13. Volume Injected and Withdrawn to Deliver 1 Dth to the Customer: (6) / (4)
\$0.0071	14a. Injection Charge @ \$0.0153/Dth
\$0.0017	14b. FSS Shrinkage @ 0.12 percent for gas at \$3.0780/Dth
\$0.0071	14c. Withdrawal Charge @ \$0.0153/Dth
\$0.0077	14d. SST Commodity Charge @ \$0.0166/Dth
<u>\$0.0274</u>	14e. SST retention @ 1.917% for gas at \$3.0780/Dth
<u>\$0.0510</u> per Dth	14f. Total Annual Variable Storage Costs
\$0.3530 per Dth	15. Credit to Purchased Gas Demand Charge for the CHOICE Customer:
<u>(\$0.0510)</u> per Dth	15a. For Demand Cost Paid to Pipelines: = (11)
<u>\$0.3020</u> per Dth	15b. Less Storage Costs: = (14f)
<u>\$0.3020</u> per Therm	15c. Net Credit: (15a) + (15b)
	15d. Per Therm: (15c)/10
<u><u>\$0.9410</u></u> per Dth	16. Purchased Gas Demand Charge Paid By the CHOICE Customer: (8)+(9)-(15c)
<u><u>\$0.09410</u></u> per Therm	17. Per Therm: (16)/10

Columbia Gas of Pennsylvania, Inc. (CPA)  
CPA Capacity Assignment (PCA): Assignment of FT Capacity Only  
CPA Capacity on TCO and Gulf. Cost of the Capacity Allocated to Marketers.

	<u>TCO</u> FT Capacity	<u>CGT</u> FTS-1 Capacity	<u>Total:</u> TCO and Gulf
<u>1 CPA FT Capacity on TCO and Columbia Gulf</u>			
2 CPA Contract: Dth/d	132,373	43,632	
<u>3 Projected Demand Costs</u>			
4. Annual Demand Cost 1/	\$9,738,948	\$2,247,060	
4a. Monthly Billing Determinants	132,373	43,632	
4b. Annual Demand Charge (4/ 4a)	73.57	51.50	
4c. Monthly Demand Charge (4b / number of months)	\$6.131	\$4.292	
<u>Transportation Pilot: Allocation Capacity and Costs.</u>			
5. Capacity Allocation:	1.0000	1.0195 2/	
6. Number of Months	12	12	
7. Unit Annual Cost of City Gate Capacity: (4c) x (5) x (6) \$/Dth	\$73.57	\$52.51	<u><u>\$126.08</u></u>

Notes:

1/ Projected demand costs for the period 12 months ended September, 2015.

2/  $1.020 \text{ Dth/day} = 1.000 / (1 - \text{retention}) = 1.000 / (1 - 0.01917)$