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September 1, 2015

**VIA HAND DELIVERY**

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

**Re: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.  
Docket No. R-2015-2468056, etc.**

Dear Secretary Chiavetta:

Columbia Gas of Pennsylvania, Inc. ("Columbia") discovered that an error was made in the tariff pages containing settlement rates (pages 16 – 21c), which were included as part of Appendix C to the Settlement. Attached is a corrected Appendix C. The only corrections are to pages 16 – 21c. The attached Appendix C includes the correct rates, which were set forth in the proof of revenues attached as Appendix B to the Settlement.

We apologize for the error.

Respectfully submitted,

Michael W. Hassell

MWH/skr  
Enclosure

cc: Certificate of Service  
Honorable Mary D. Long

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**COLUMBIA GAS OF PENNSYLVANIA, INC.**

121 Champion Way, Suite 100

Canonsburg, Pennsylvania

**RATES AND RULES**

**FOR**

**FURNISHING GAS SERVICE**

**IN**

**THE TERRITORY AS DESCRIBED HEREIN**

ISSUED:

EFFECTIVE:

ISSUED BY: M. R. KEMPIC, PRESIDENT  
121 CHAMPION WAY, SUITE 100  
CANONSBURG, PENNSYLVANIA 15317

**NOTICE**

This Tariff Supplement Makes Rate Increases and Changes to the Existing Tariff - See "List of Changes Made by This Tariff Supplement" on Page Nos. 2 through 2b.

Columbia Gas of Pennsylvania, Inc.

**LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT**

Page	Page Description	Revision Description
Cover	Tariff Cover Page	Supplement No., Issue and Effective Date. Revised the "NOTICE".
2- 2b	List of Changes	List of Changes.
3	Table of Contents	Added Rule 21. Flexible Service Provisions.
4	Table of Contents	Corrected labeling for page numbers 125 and 127.
9	Description of Territory	Corrected the spelling of Neshannock Township.
16	Rate Summary	The Distribution Charge and Pass-through Charge have increased. The Gas Supply Charge has decreased for Rate Schedule RSS.
17	Rate Summary	The Distribution Charge and Pass-through Charge have increased. The Gas Supply Charge has decreased for Rate Schedule SGSS.
18	Rate Summary	The Customer Charge has increased. The Distribution Charge has been changed from a step rate to a fixed usage charge per therm based on annual consumption for Rate Schedule LGSS. The Distribution Charge for Rate Schedule SDS has increased and there are two rates based on annual consumption. The Distribution Charge for Rate Schedule LDS has increased. The Gas Supply Charge for Rate Schedule LGSS has decreased.
19	Rate Summary	The Distribution Charge has increased.
20	Other Rates Summary	The Price-to-Compare has decreased.

Issued:

**M. R. Kempic**  
President

Effective:

**LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT**

Page	Page Description	Revision Description
21	Rider Summary	The Rider CC and Rider USP have increased. The Rider MFC has increased for Rate Schedule RSS and decreased for Rate Schedule SGSS.
21a	Gas Supply Charge Summary	The Rider MFC has increased for Rate Schedule RSS and decreased for Rate Schedule SGSS.
21b	Pass-through Charge Summary	The Rider CC and Rider USP have increased.
21c	Price-to-Compare Summary	The Rider MFC has increased for Rate Schedule RSS and decreased for Rate Schedule SGSS.
42	5. Testing and Inspecting of Customer's Installations	Revised the title of paragraph 5.2.
48	8. Extensions	Revised paragraph 8.1 Service Connections, subpart (a). Revised paragraph 8.2 Capital Expenditure Policy and subparagraph 8.2.1 Residential Distribution Service. Moved subparagraph 8.2.2 Commercial and Industrial Distribution Service to page 49.
49	8. Extensions	Moved subparagraph 8.2.2 Commercial and Industrial Distribution Service from page 48.
70	21. Flexible Service Provisions	Added Flexible Service Provisions in its entirety.
146	Rider USP	Revised Calculation of Rate paragraphs.
155	Rider PGC – Purchased Gas Cost	Corrected a formatting error in the Demand "E" Factor subparagraph (b) (3).
161	Rider MFC – Merchant Function Charge	The uncollectible percentages are revised.

**LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT**

Page	Page Description	Revision Description
169	Rider EBS – Elective Balancing Services	Changed the due date of bank balance transfer requests to the third business day.
207	Rules Applicable Only to General Distribution Service	Changed the OFO non-compliance charge to \$2.08 per therm in paragraph 3.7.4(1).
208	Rules Applicable Only to General Distribution Service	Changed the OMO non-compliance charge to \$2.08 per therm in paragraph 3.8.5(1). Added "(UNDER-DELIVERIES)" to the title of paragraph 3.11.
209	Rules Applicable Only to General Distribution Service	Changed the rate calculation of imbalance gas sold by the Company when a Customer Proxy under-delivers in paragraph 3.11.2. Removed existing paragraph 3.11.3. Renumbered existing paragraphs 3.11.4, 3.11.5 and 3.11.6.
210	Rules Applicable Only to General Distribution Service	Added "(OVER-DELIVERIES)" to the title of paragraph 3.12. Changed the rate calculation of imbalance gas purchased by the Company when a Customer Proxy over-delivers in paragraph 3.12.2. Removed existing paragraph 3.12.3. Renumbered existing paragraphs 3.12.4 and 3.12.5.
212	Rules Applicable Only to General Distribution Service	Removed the text that required SGS-Priority One accounts to be in an aggregation nomination group that did not include other rate schedules in paragraph 3.15.1.4.
242	Rules Applicable Only to Choice Service	Changed the OFO non-compliance charge to \$4.16 per therm.
243	Rules Applicable Only to Choice Service	Changed the charge for failure to deliver the Choice Daily Delivery Requirement to \$2.08 per therm.

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**M. R. Kempic**  
 President

Effective:

Columbia Gas of Pennsylvania, Inc.

### Table of Contents

	Sheet No.
List of Changes Made by this Tariff Supplement	2
Table of Contents	3
Description of Territory	7
Rates Available Under This Tariff	11
Rate Summary	16
Riders and Other Rates Summary	21
Gas Supply Charge Summary	21a
Pass-through Charge Summary	21b
Price-to-Compare Summary	21c
<b><u>Rules and Regulations:</u></b>	
1. The Gas Tariff	22
Held for Future Use	29
2. Service Limitations	30
3. Application for Service	38
4. Customer's Installation	40
5. Testing and Inspecting Customer's Service	42
6. Credit	43
7. Point of Delivery of Gas to Customer	47
8. Extensions	48
9. Rights of Way	51
10. Introduction of Service	52
11. Company Equipment on Customer's Premises	52
12. Selection of Rate Schedule	54
13. Service Continuity	55
14. Customer's Use of Service	56
15. Measurement	57
16. Meter Tests	59
17. Payment Terms	60
18. Termination of Service	63
19. Discontinuation of Service	67
20. Flexible Rate Provisions	68
21. Flexible Service Provisions	70
Held for Future Use	71 - 75
<b><u>Rate Schedule:</u></b>	
RSS – Residential Sales Service	76
RDS – Residential Distribution Service	78
Held for Future Use	80 - 85

(C)  
(C)

(C) Indicates Change

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Columbia Gas of Pennsylvania, Inc.

**Table of Contents (continued)**

<b>Rate Schedules (continued):</b>	<b>Sheet No.</b>
SGDS – Small General Distribution Service	89
SCD – Small Commercial Distribution	93
SDS – Small Distribution Service	96
LGSS – Large General Sales Service	100
LDS – Large Distribution Service	103
MLSS – Main Line Sales Service	107
MLDS – Main Line Distribution Service	111
NCS – Negotiated Contract Service	115
NSS – Negotiated Sales Service	117
SDSS – Supplier Default Sales Service	122
Held for Future Use	124
CDS – Cogeneration Distribution Service	125
EGDS – Electric Generation Distribution Service	127
NGV – Natural Gas Vehicle Service	129
Held for Future Use	132 - 133
SS – Standby Service	134
Held for Future Use	136
DGDS – Distributed Generation Distribution Service	137
CAP – Customer Assistance Plan	139
Held for Future Use	144 - 145
Rider USP – Universal Service Plan	146
Rider CC – Customer Choice	148
Rider EDS – Economic Development Service Rider	149
Purchased Gas Cost Rider	151
Rider GPC – Gas Procurement Charge	160
Rider MFC – Merchant Function Charge	161
Rider WNA – Weather Normalization Adjustment	162
Held for Future Use	164
State Tax Adjustment Surcharge – STAS	165
Rider EBS – Elective Balancing Service	166
Rider NAS – New Area Service	174 - 176
Rider DSIC – Distribution System Improvement Charge	177 - 180
<b>Rules Applicable to Distribution Service – RADS:</b>	
1. Definitions	181
2. Rules Applicable to All Distribution Service	186
2.2. Electronic Communications	186
2.3. Initial NGS Application	186

(C)

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(C) Indicates Change

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 President

Effective:

DESCRIPTION OF TERRITORY (Continued)

**LAWRENCE COUNTY**

Bessemer  
 Big Beaver Township  
 Chewton  
 Ellport  
 Ellwood City  
 Energy  
 Harlansburg  
 Hickory Township  
 Joyce  
 Little Beaver Township  
 Mt. Jackson  
 Neshannock Township  
 New Castle  
 North Beaver Township  
 Perry Township  
 Princeton  
 Scott Township  
 Shenango Township  
 Slippery Rock Township  
 South New Castle  
 Taylor Township  
 Union Township  
 Wampum  
 Wayne Township  
 Wurtemberg

**McKEAN COUNTY**

Bradford  
 Bradford Township  
 Custer City  
 Dallas City  
 Degolia  
 Derrick City  
 Foster Brook  
 Foster Township  
 Lafayette Township  
 Lewis Run  
 Mt. Alton  
 Tune

**MERCER COUNTY**

Liberty Township  
 North Liberty

**SOMERSET COUNTY**

Addison Township  
 Berlin  
 Brothers Valley Township  
 Elk Lick Township  
 Greenville Township  
 Meyersdale  
 Salisbury  
 Somerset  
 Somerset Township  
 Southampton Township  
 Summit Township

**VENANGO COUNTY**

Clintonville  
 Clinton Township  
 Dotter  
 Emlenton  
 Freedom  
 Irwin Township  
 Mariasville  
 Nickleville  
 Pittsville  
 Richland Township  
 Rockland Township  
 Scrubgrass Township

**WARREN COUNTY**

Conewango Township  
 Glade Township  
 Mead Township  
 Pleasant Township  
 Russell  
 Sheffield Township  
 Starbrick  
 Warren

**WASHINGTON COUNTY**

The Company is certified to  
 serve in all cities, boroughs  
 and townships in Washington  
 County.

**WESTMORELAND COUNTY**

Alverton  
 Ardara  
 Buzzardtown  
 Cereal  
 Circleville  
 Coal Hollow  
 Collinsburg  
 Cowansburg  
 East Huntingdon Township  
 Eldora  
 Fellsburg  
 Fells Chapel  
 Foxtone  
 Grapeville  
 Gratztown  
 Hahntown  
 Hempfield Township  
 Herminie  
 Irwin  
 Jeannette  
 Lowber  
 Madison  
 Marchland  
 Monessen  
 Mt. Pleasant  
 Mt. Pleasant Township  
 North Huntingdon Township  
 Penglyn  
 Penn  
 Penn Township  
 Rilton  
 Rostrover Township  
 Ruffsdale  
 Rural (Scottdale)  
 Scottdale  
 Sewickley Township  
 Shafton  
 Smithton  
 South Huntingdon Township  
 Stewartsville  
 Straw Pump  
 Sutersville  
 Tarr  
 Unity Township  
 West Newton  
 Youngwood

(C)

(C) Indicates Change

Issued:

M. R. Kempic  
 President

Effective:

Columbia Gas of Pennsylvania, Inc.

**Rate Summary**

Rate per thm

Residential Rate Schedules	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-Through Charge 2/	State Tax Adjustment Surcharge 3/	Total Effective Rate
<b><u>Rate RSS - Residential Sales Service</u></b>						
Customer Charge	\$ 16.75	-	-	-	0.00	16.75
Usage Charge	\$ 0.47806	0.45380	(0.00321)	0.19787	0.00000	1.12652
Customer Transferring from Rate Schedule RDS - Usage Charge	\$ 0.47806	0.45380	-	4/ 0.19787	0.00000	1.12973
<b><u>Rate RDS - Residential Distribution Service</u></b>						
Customer Charge	\$ 16.75	-	-		0.00	16.75
Usage Charge:						
Customers Electing CHOICE - 1st Year	\$ 0.47806	-	(0.00321) 5/	0.16850	0.00000	0.64335
Customers Electing CHOICE - 2nd Year	\$ 0.47806	-	-	0.16850	0.00000	0.64656

1/ Please see Page No. 21a for rate components.

2/ Please see Page No. 21b for rate components.

3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.

4/ If a customer transfers to RSS from RDS, the Gas Cost Adjustment shall not be billed for twelve billing cycles.

5/ If a customer transfers to RDS from RSS, the Gas Cost Adjustment shall be billed for twelve billing cycles.

Issued:

Mark R. Kempic - President

Effective:

Columbia Gas of Pennsylvania, Inc.

**Rate Summary**

Rate per thm

Commercial / Industrial Rate Schedules <= 64,400 therms - 12 Months Ending October	Distr ibution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Total Effective Rate
<b><u>Rate SGSS - Small General Sales Service</u></b>						
Customer Charge:						
Annual Throughput <= 6,440 thm	\$ 21.25	-	-	-	0.00	21.25
Annual Throughput > 6,440 thm and <= 64,400 thm	\$ 48.00	-	-	-	0.00	48.00
Usage Charge						
Annual Throughput <= 6,440 thm	\$ 0.35939	0.44900	(0.00321) 4/	0.10327	0.00000	0.90845
Annual Throughput > 6,440 thm and <= 64,400 thm	\$ 0.32246	0.44900	(0.00321) 4/	0.10327	0.00000	0.87152
<b><u>Rate SCD - Small Commercial Distribution</u></b>						
Customer Charge:						
Annual Throughput <= 6,440 thm	\$ 21.25	-	-	-	0.00	21.25
Annual Throughput > 6,440 thm and <= 64,400 thm	\$ 48.00	-	-	-	0.00	48.00
Usage Charge: Customers Electing CHOICE - 1st year						
Annual Throughput <=6,440 thm	\$ 0.35939	-	(0.00321) 5/	0.07390	0.00000	0.43008
Annual Throughput >6,440 and <=64,400 thm	\$ 0.32246	-	(0.00321) 5/	0.07390	0.00000	0.39315
Usage Charge: Customers Electing CHOICE - more than 1 year						
Annual Throughput <=6,440 thm	\$ 0.35939	-	-	0.07390	0.00000	0.43329
Annual Throughput >6,440 and <=64,400 thm	\$ 0.32246	-	-	0.07390	0.00000	0.39636
<b><u>Rate SGDS - Small General Distribution Service</u></b>						
Customer Charge:						
Annual Throughput <= 6,440 thm	\$ 21.25	-	-	-	-	21.25
Annual Throughput > 6,440 thm and <= 64,400 thm	\$ 48.00	-	-	-	-	48.00
Usage Charge - Priority One						
Annual Throughput <= 6,440 thm	\$ 0.33759	-	-	5/ 0.10327	0.00000	0.44086 6/
Annual Throughput > 6,440 thm and <= 64,400 thm	\$ 0.32062	-	-	5/ 0.10327	0.00000	0.42389 6/
Usage Charge - Non-Priority One						
Annual Throughput <= 6,440 thm	\$ 0.33759	-	-	5/ 0.00010	-	0.33769 6/
Annual Throughput > 6,440 and <= 64,400 thm	\$ 0.32062	-	-	5/ 0.00010	-	0.32072 6/

1/ Please see Page 21a for rate components.

2/ Please see Page 21b for rate components.

3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.

4/ If a customer transfers to SGSS from SCD or SGDS, the Gas Cost Adjustment shall not be billed for up to twelve billing cycles.

5/ If a customer transfers to SCD or SGDS from SGSS, the Gas Cost Adjustment shall be billed for up to twelve billing cycles.

6/ Plus Rider EBS Option 1 or 2 - See Page 21.

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Columbia Gas of Pennsylvania, Inc.

Rate Summary						
Rate per thm						
Commercial / Industrial Rate Schedules > 64,400 therms - 12 Months Ending October	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Total Effective Rate
<b>Rate LGSS - Large General Sales Service</b>						
Customer Charge:						
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 215 00				0.00	215.00
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 685 00				0.00	685.00
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,800 00				0.00	1,800.00
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,800 00				0.00	2,800.00
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 5,400 00				0.00	5,400.00
Annual Throughput > 7,500,000 thm	\$ 8,000 00				0.00	8,000.00
Usage Charge:						
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 0.20774	0.44704	(0.00321) 4/	0.10317	0.00000	0.75474
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 0.19422	0.44704	(0.00321) 4/	0.10317	0.00000	0.74122
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 0.12001	0.44704	(0.00321) 4/	0.10317	0.00000	0.66701
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 0.10645	0.44704	(0.00321) 4/	0.10317	0.00000	0.65345
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.09553	0.44704	(0.00321) 4/	0.10317	0.00000	0.64253
Annual Throughput > 7,500,000 thm	\$ 0.05684	0.44704	(0.00321) 4/	0.10317	0.00000	0.60384
<b>Rate SDS - Small Distribution Service</b>						
Customer Charge:						
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 215 00	-	-	-	0.00	215.00
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 685 00	-	-	-	0.00	685.00
Usage Charge:						
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 0.20774	-	-	-	0.00000	0.20774 6/
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 0.19422	-	-	-	0.00000	0.19422 6/
<b>Rate LDS - Large Distribution Service</b>						
Customer Charge:						
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,800 00	-	-	-	0.00	1,800.00
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,800 00	-	-	-	0.00	2,800.00
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 5,400 00	-	-	-	0.00	5,400.00
Annual Throughput > 7,500,000 thm	\$ 8,000 00	-	-	-	0.00	8,000.00
Usage Charge:						
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 0.12001	-	-	5/	0.00000	0.12001 6/
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 0.10645	-	-	5/	0.00000	0.10645 6/
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.09553	-	-	5/	0.00000	0.09553 6/
Annual Throughput > 7,500,000 thm	\$ 0.05684	-	-	5/	0.00000	0.05684 6/

1/ Please see Page 21a for rate components.

2/ Please see Page 21b for rate components.

3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.

4/ If a customer transfers to LGSS from SDS or LDS, the Gas Cost Adjustment shall not be billed for twelve billing cycles.

5/ If a customer transfers to SDS or LDS from LGSS, the Gas Cost Adjustment shall be billed for twelve billing cycles.

6/ Plus Rider EBS Option 1 or 2 - See Page 21.

Issued:

Mark R. Kempic - President

Effective:

Columbia Gas of Pennsylvania, Inc.

<b>Rate Summary</b>						
Rate per thm						
Main Line Service Rate Schedules Commercial / Industrial	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Total Effective Rate
<b><u>Rate MLSS - Main Line Sales Service</u></b>						
Customer Charge:						
Annual Throughput > 274,000 thm and <= 540,000 thm	\$ 469.34	-	-	-	0.00	469.34
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,149.00	-	-	-	0.00	1,149.00
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,050.00	-	-	-	0.00	2,050.00
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 4,096.00	-	-	-	0.00	4,096.00
Annual Throughput > 7,500,000 thm	\$ 7,322.00	-	-	-	0.00	7,322.00
Usage Charge:						
MLS Class I Annual Throughput > 274,000 thm	\$ 0.00937	0.44704	(0.00321) 4/	0.10317	0.00000	0.55637
MLS Class II:						
Annual Throughput > 2,146,000 thm and <= 3,400,000 thm	\$ 0.04479	0.44704	(0.00321) 4/	0.10317	0.00000	0.59179
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.03874	0.44704	(0.00321) 4/	0.10317	0.00000	0.58574
Annual Throughput > 7,500,000 thm	\$ 0.03355	0.44704	(0.00321) 4/	0.10317	0.00000	0.58055
<b><u>Rate MLDS - Main Line Distribution Service</u></b>						
Customer Charge:						
Annual Throughput > 274,000 thm and <= 540,000 thm	\$ 469.34	-	-	-	0.00	469.34
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,149.00	-	-	-	0.00	1,149.00
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,050.00	-	-	-	0.00	2,050.00
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 4,096.00	-	-	-	0.00	4,096.00
Annual Throughput > 7,500,000 thm	\$ 7,322.00	-	-	-	0.00	7,322.00
Usage Charge:						
MLS Class I Annual Throughput > 274,000 thm	\$ 0.00937	-	-	-	0.00000	0.00937 6/
MLS Class II:						
Annual Throughput > 2,146,000 thm and <= 3,400,000 thm	\$ 0.04479	-	-	5/	0.00000	0.04479 6/
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.03874	-	-	5/	0.00000	0.03874 6/
Annual Throughput > 7,500,000 thm	\$ 0.03355	-	-	5/	0.00000	0.03355 6/

1/ Please see Page 21a for rate components.

2/ Please see Page 21b for rate components.

3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.

4/ If a customer transfers to MLSS from MLDS, the Gas Cost Adjustment shall not be billed for twelve billing cycles.

5/ If a customer transfers to MLDS from MLSS, the Gas Cost Adjustment shall be billed for twelve billing cycles.

6/ Plus Rider EBS Option 1 or 2 - See Page 21.

Issued:

Mark R. Kempic - President

Effective:

Columbia Gas of Pennsylvania, Inc.

<b>Other Rates Summary</b>		
Rate per thm		
Description	Rate \$/ thm	Applicable Rate Schedules
Tennessee Gas Pipeline Company Refund	\$ -	SGSS
TCO Modernization Refund- Settlement - Residential	\$ 0.00080	RSS/RDS
TCO Modernization Refund-Settlement - Non-Residential	\$ 0.00114	SGSS/SGDS/SCD/LGSS/MLSS
Price to Compare for Residential Gas Supply	\$ 0.47996	RSS
Price to Compare for Commercial Gas Supply	\$ 0.47516	SGSS (< = 64,400 thms)
State Tax Adjustment Surcharge Percentage	0.00000%	Customer and Distribution Charges on all rates
Rate SS - Standby Service	\$ 0.76539	Per therm based on a customer's Maximum Daily Firm Requirement. See Pages 134 - 136 herein for detail.

Issued

Mark R. Kempic - President

Effective:

Columbia Gas of Pennsylvania, Inc.

<b>Rider Summary</b>		
Rate per thm		
Riders	Rate \$/ thm	Applicable Rate Schedules
<b>Customer Choice - Rider CC</b>	\$ 0.00010	RSS/RDS/SGSS/SGDS/SCD/DGDS
<b>Universal Service Plan - Rider USP</b>	\$ 0.09494	RSS/RDS
<b>Distribution System Improvement Charge - Rider DSIC</b>	0.00000%	This percentage is applied to a portion of the Distribution Charge and the Customer Charge. See Pages 177-180 for Rider DSIC details.
<b>Elective Balancing Service - Rider EBS:</b>		
Option 1 - Small Customer	\$ 0.01767	SGDS/SDS
Option 1 - Large Customer	\$ 0.00804	LDS/MLDS
Option 2 - Small Customer	\$ 0.00697	SGDS/SDS
Option 2 - Large Customer	\$ 0.00226	LDS/MLDS
<b>Gas Procurement Charge - Rider GPC</b>	\$ 0.00695	RSS/SGSS/LGSS/MLSS
<b>Merchant Function Charge - Rider MFC</b>	\$ 0.00676	RSS
<b>Merchant Function Charge - Rider MFC</b>	\$ 0.00196	SGSS
<b>Purchased Gas Cost - Rider PGC</b>	Pg. 21a & 21b	Rate Schedules specified on Page 21a & 21b

Issued:

Mark R. Kempic - President

Effective:

Columbia Gas of Pennsylvania, Inc.

<b>Gas Supply Charge Summary</b>				
Rate per thm				
<u>Rate Schedule</u>	<u>PGCC</u>	<u>Rider GPC</u>	<u>Rider MFC</u>	<u>Total Gas Supply Charge</u>
<b>Rate CAP - Customer Assistance Plan</b>	\$ -	-	-	-
<b>Rate RSS - Residential Sales Service</b>	\$ 0.44009	0.00695	0.00676	0.45380
<b>Rate SGSS - Small General Sales Service</b>	\$ 0.44009	0.00695	0.00196	0.44900
<b>Rate LGSS - Large General Sales Service</b>	\$ 0.44009	0.00695	-	0.44704
<b>Rate MLSS Main Line Sales Service</b>	\$ 0.44009	0.00695	-	0.44704

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Columbia Gas of Pennsylvania, Inc.

**Pass-through Charge Summary**  
 Rate per thm

Rate Schedule	PGDC	PGDC "E" Factor	Capacity Assignment Factor	Pipeline Refund	Rider CC	Rider USP	Total Pass-through Charge
Rate CAP - Customer Assistance Plan	\$ 0.12657	(0.02454)	(0.02937)	0.00080	-	-	0.07346
Rate RSS - Residential Sales Service	\$ 0.12657	(0.02454)	-	0.00080	0.00010	0.09494	0.19787
Rate SGSS - Small General Sales Service	\$ 0.12657	(0.02454)	-	0.00114	0.00010	-	0.10327
Rate LGSS - Large General Sales Service	\$ 0.12657	(0.02454)	-	0.00114	-	-	0.10317
Rate MLSS Main Line Sales Service	\$ 0.12657	(0.02454)	-	0.00114	-	-	0.10317
Rate RDS - Residential Distribution Service	\$ 0.12657	(0.02454)	(0.02937)	0.00080	0.00010	0.09494	0.16850
Rate SCD - Small Commercial Distribution (Choice)	\$ 0.12657	(0.02454)	(0.02937)	0.00114	0.00010	-	0.07390
Rate SGDS - Small General Distribution Service							
Priority One (P1)	\$ 0.12657	(0.02454)	-	0.00114	0.00010	-	0.10327
Non-Priority One (NP1)	-	-	-	-	0.00010	-	0.00010
Rate SDS - Small Distribution Service	\$ -	-	-	-	-	-	-
Rate LDS - Large Distribution Service	\$ -	-	-	-	-	-	-
Rate MLDS - Main Line Distribution Service	\$ -	-	-	-	-	-	-

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Price-to-Compare (PTC) Summary							
Rate per thm							
Customer Class	<u>PGCC</u>	<u>Gas Cost Adjustment</u>	<u>Capacity Assignment Factor</u>	<u>Rider GPC</u>	<u>Rider MFC</u>	<u>Total Price-to-Compare</u>	
<b>Residential</b>	\$ 0.44009	(0.00321)	0.02937	0.00695	0.00676	0.47996	
<b>Commercial &lt; = 64,400 thm/year</b>	\$ 0.44009	(0.00321)	0.02937	0.00695	0.00196	0.47516	

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**RULES AND REGULATIONS GOVERNING THE  
DISTRIBUTION AND SALE OF GAS (Continued)**

**4. Customer's Installations - Continued**

**4.14 Interference with Facilities**

Without prior written notice to the Company, the customer shall not open, tamper or interfere with, in any manner, his service line or with any regulator or regulators or safety appliances installed in connection with service to him, irrespective of ownership thereof, except to see that same are kept in proper working order. Neither shall the customer increase or decrease the pressure of same without the written approval of the Company. Any customer action taken that may endanger the safety of a person or the integrity of the Company's delivery system will be grounds for immediate termination without notice as specified in the Termination of Service section of this tariff.

**4.15 Customer's Responsibility**

Customer assumes all responsibility for property owned by the customer on customer's side of the point of connection, as well as for the installation and appliances used in connection therewith, and will save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on customer's side of the point of connection.

**5. Testing and Inspecting of Customer's Installations**

**5.1 Requirement**

Prior to the introduction of gas service, the service line of the customer must be tested and inspected to ensure compliance with the Company's standards for gas piping on the customer's premises. Prior to the introduction of gas service, the house piping of the customer must be tested and inspected to ensure compliance with all applicable codes for house piping on the customer's premises.

**5.2 Company's Right to Inspect Customer Service Lines**

(C)

The Company shall have the right, but shall not be obliged, to inspect any new installation before service is introduced or at any later time, and reserves the right to reject any piping or appliances that is not in accordance with the Company's standard for gas piping on the customer's premises or any applicable codes. However, any such inspection, or failure to inspect, or to reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects in the installation, piping, or appliances, or from violation of Company rules, or from accidents which may occur upon the premises of the customer.

**5.3 Testing of Service Lines and House Piping**

The customer's service line and house piping must be tested by the owner or his competent representative before service is rendered to a customer, or before service is resumed to a customer whose service line or house piping has been repaired, renewed, enlarged or changed in any manner. Such test is to be made in accordance with the Company's standards for gas piping on customer's premises and all applicable codes.

**5.4 Defective Installation**

The Company may refuse to connect if, in its judgment, the Customer's installation is defective, or unsatisfactory; it does not meet company standards; or it fails to meet any applicable code.

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**RULES AND REGULATIONS GOVERNING THE  
DISTRIBUTION AND SALE OF GAS (Continued)**

**8. Extensions**

**8.1 Service Connections**

The Company will install the service line from its main to point of delivery, as defined in the Point of Delivery section of this tariff; provided, however;

- (a) In the territories formerly served under Tariff Gas--Pa. P.U.C. No. 6 and Tariff Gas--Pa. P.U.C. No. 7, the Company will install at its expense the service line from its main to a convenient point approximately one-hundred fifty (150) feet inside the customer's property line, absent any abnormal underground conditions or excessive permitting requirements. (See the description of Territory section of this tariff to identify territory formerly served under Tariff Gas--Pa. P.U.C. No. 6 and Tariff Gas--Pa. P.U.C. No. 7.) (C)
- (b) In rural areas, where service is not available directly from the Company, service may be provided from a transmission or production line. It is the sole discretion of the owner of the transmission or production line to allow service from their facilities to the customer. If connection is allowed, the Company's service connection will consist of a tap on the line and a service valve.

**8.2 Capital Expenditure Policy**

**8.2.1 Residential Distribution Service**

The Company, at its discretion, may extend its distribution mains up to a distance of one-hundred fifty (150) feet on any dedicated street or highway without cost to an applicant(s), absent any abnormal underground conditions or unusual permitting requirements. When abnormal underground conditions or unusual permitting requirements exist, as determined by the the Company, the applicant(s) will be required to pay a refundable cash deposit in an amount determined by the Company. (C)

The applicant(s) will be required to pay a cash deposit to the Company when it is necessary to extend the main line more than one-hundred fifty (150) feet per applicant. The cash deposit will be equal to the difference between the minimum capital investment required to serve the applicant(s)'s gas requirements, excluding the one-hundred fifty (150) foot main allotment per applicant, and the amount of capital that the Company can justify investing in the project, based on the anticipated gas requirements of the applicant(s). The minimum capital investment is the capital expenditure required to serve only the gas requirements requested by the particular applicant(s). (C)

The maximum allowable investment is the amount of capital expenditure which the estimated revenues generated from a proposed project would support and still provide the necessary return to the Company, taking into consideration the estimated additional annual quantities, rate schedule, cost of gas, operating and maintenance expense, interest and taxes. (C)

If the net present value of the project is greater than \$1,000 per applicant, the Company may, at its sole discretion, provide a contribution up to \$1,000 per applicant, to offset installation costs of gas piping incurred by the applicant(s). (C)

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**RULES AND REGULATIONS GOVERNING THE  
DISTRIBUTION AND SALE OF GAS (Continued)****8. Extensions - Continued****8.2 Capital Expenditure Policy – Continued****8.2.2 Commercial and Industrial Distribution Service**

The applicants will be required to provide a refundable cash deposit to the Company equal to the difference between the minimum capital investment required to serve the applicant's gas requirements and the amount of capital that the Company can justify investing in the project, based on the anticipated gas requirements of the applicant(s). Minimum capital investment is the capital expenditure required to serve only the gas requirements requested by the particular applicant(s).

- (a) Projects Where the Net Present Value of the Cash Flows, Using the Minimum Capital Investment, is Equal to or Greater than Zero.

Such projects are economically feasible provided that there are assurances that the applicant will use the projected quantities of gas for the minimum time period stated in the agreement. Such assurances may be provided in the form of a minimum use agreement, in which applicant contractually agrees to take delivery of certain minimum quantities of gas, and to pay the applicable distribution charges for such quantities, irrespective of applicant's actual consumption of gas. At the Company's sole discretion, a deposit may be required if the Company is not certain that the applicant will use the quantity of gas, as projected, for the entire Minimum Time Period. The maximum required deposit shall be no more than the minimum capital investment.

- (b) Projects Where the Net Present Value of the Cash Flows, Using the Minimum Capital Investment, is Less than Zero.

The Company shall require a refundable deposit in the amount that the net present value is below zero. For example, if the net present value of a project is -\$1,000, the Company shall require a \$1,000 refundable deposit. In addition, if there is uncertainty that the applicant will use the projected quantity of gas for the minimum time period stated in the agreement, the Company may, in its sole discretion, (1) require the Applicant to pay an additional refundable deposit, or (2) require the applicant to enter into a minimum use agreement, in which applicant contractually agrees to take delivery of certain minimum quantities of gas, and to pay the applicable distribution charges for such quantity, irrespective of applicant's actual consumption of gas. The additional refundable deposit, if required, shall be no more than the combined total of the Company's minimum capital investment and the net present value. For example, if the Company's minimum capital investment is \$10,000 and the net present value of the project is -\$1,000, the applicant shall be required to provide an additional \$9,000 deposit.

For purposes of subsection (a) and (b), above, the maximum allowable investment is the amount of capital expenditure which the estimated revenues generated from a proposed project would support and still provide the necessary return to the Company, taking into consideration the estimated additional annual quantity, rate schedule, cost of gas, operating and maintenance expense, interest and taxes.

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**RULES AND REGULATIONS GOVERNING THE  
DISTRIBUTION AND SALE OF GAS (Continued)****21. Flexible Service Provisions**

(C)

**21.1 Applicability**

The Flexible Service Provisions are applicable when an Applicant, or an existing customer requesting an increase in usage, is located on a portion of the Company's system where capacity limitations exist, which would otherwise require the Company to reject the request for distribution service of total requirements on a year round basis, absent a significant financial contribution from the Applicant or Customer to increase the Company's main line capacity to serve the Applicant's or Customer's load.

**21.2 Availability**

Flexible Service Provisions will be available only to Applicants, or existing customers requesting an increase in usage whose usage will make them eligible for Rate Schedules DGDS, EGDS, EDS, LDS, LGSS, MLDS, MLSS, NCS, CDS, NGV, NSS, SDS, SDSS when:

- a. In its sole discretion, the Company determines that offering the Flexible Service Provisions will not be a detriment to its other Customers or the Company's system; and
- b. But for the Flexible Service Provisions the Applicant or eligible Customer would not take service from the Company; and
- c. The Customer enters into an agreement with the Company specifying the service limitations and any other terms necessary in defining the Flexible Service Provisions.

**21.3 Agreement**

The Company shall enter into an Agreement with an Applicant or an eligible Customer to provide limited natural gas distribution service to the Applicant's or Customer's facilities. The Agreement shall include the specific terms that will define those times and conditions when the Company shall not provide total requirements for distribution service to the Applicant or eligible Customer.

The Agreement may be terminated by the Company, at its sole discretion, if at any time during the term of the Agreement the Company upgrades its facilities and is able to accommodate the Customer's total requirements for distribution service. Should a Customer receiving service pursuant this provision subsequently request year round service, such a request will be treated as an application for new service under this Tariff.

**21.4 Rate**

The rates charged to Customers served under this provision shall be the rates specified or negotiated under the applicable rate schedule within this Tariff.

**21.5 Service Limitations**

In addition to the service limitations set forth in the Agreement, the Company retains all of its ability to issue Operational Orders and Emergency Curtailments as described in these Rules and Regulations Governing the Distribution and Sale of Gas and the Customer served under this Flexible Service Provision is subject to the associated penalties for non-compliance with said Operational Orders and Emergency Curtailments.

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**RIDER USP – UNIVERSAL SERVICE PLAN**

**APPLICABILITY**

Throughout the territory served under this Tariff.

**AVAILABILITY**

This Rider shall be applicable to all residential customers except customers in the Company's Customer Assistance Plan ("CAP").

**CHARACTER OF RATE**

This Rider has been established to recover costs related to the Company's Universal Service and Conservation Programs.

**RATE**

The Rider USP rate shall be included in the Pass-through Charges on the customer's bill for Rate Schedules RSS, and RDS. The Rider USP shall not be billed to customers being served on Rate CAP.

The rate information is detailed in the Rate Summary pages of this Tariff.

**CALCULATION OF RATE**

The Rider USP rate shall be calculated to recover costs for the following programs: Low Income Usage Reduction Program (LIURP); Customer Assistance Plan (CAP); the WarmWise® Audits and Rebates program; and the Emergency Repair Program (ERP). (C)

LIURP costs will be calculated based on the projected number of Level 1 income homes to be weatherized. WarmWise® Audits and Rebates program costs will be calculated on the projected number of Level 2 income homes provided with an energy audit, programmable thermostat and/or rebates.

CAP costs will be calculated to include the projected CAP Shortfall (the difference between the total calculated RSS bill excluding Rider CC and Rider USP and the CAP bill) based upon the current discounts at normalized annual quantities of the then-current CAP participants, the projected CAP Shortfall for projected customer additions to CAP during the period that the USP Rider rate will be in effect at the average discount of current CAP participants at normalized annual quantities, the projected CAP customer application and administration costs, the projected CAP pre-program arrearages to be forgiven and written off during the next 12 months, any changes, including programming changes, resulting from the CAP Plus design. (C)

If the Company is successful in obtaining a CAP gas supply aggregator as provided in Rate CAP-Customer Assistance Plan, then the shortfall will be adjusted to reflect the RDS rate plus the gas costs resulting from the aggregation service.

The costs shall be divided by the total annual projected throughput quantities of all residential non-CAP customers as established in the Company's most recent Purchased Gas Cost proceeding to determine the rate per thm for this Rider.

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**RIDER PGC - PURCHASED GAS COST (Continued)**

**DETERMINATION OF OVER/UNDERCOLLECTION OF GAS COSTS - Continued**

(b) The following amount shall be included as revenues recovered for gas commodity costs:

- (1) an amount determined by multiplying commodity sales quantities subject only to Rider PGC billed under the Rate RSS, Rate SGSS, Rate LGSS, and Rate MLSS rate schedules, for the applicable over/undercollection period, times the PGCC component excluding the commodity E Factor; plus
- (2) an amount determined by multiplying commodity sales quantities billed under Rate SGDS, Rate SDS, Rate LDS, Rate MLDS, and Rate SDSS rate schedules, times the index price of gas defined in the Consumption in Excess of Deliveries section of the Rules Applicable to Distribution Service.

**Demand "E" Factor**

In computing the experienced over/undercollection of purchased gas demand costs for a period defined by the Commission, the following procedure shall be used:

- (a) All experienced purchased gas demand costs actually incurred by the Company to service customers pursuant to all rate schedules of this tariff, excluding the cost of capacity acquired for the purpose of providing Full Balancing Service under Option 1 of the Elective Balancing Services Rider. *Capacity acquired to provide Full Balancing Service under EBS Option 1 will include sufficient storage capacity for the aggregate of the maximum banks provided under this option, and sufficient storage withdrawal and transportation capacity to provide the firm balancing entitlements.*
- (b) The following amount shall be included as revenues recovered for gas demand costs:
  - (1) an amount determined by multiplying Distribution quantities billed under this Rider for the Rate RSS, Rate CAP, Rate RDS, Rate SCD, Rate SGSS, Priority One Rate SGDS, Rate LGSS and MLSS rate schedules, for the applicable over/undercollection period, times the PGDC component excluding the demand E Factor; plus
  - (2) the amounts billed under Rate SS; plus
  - (3) the amounts billed distribution service customers under Rider EBS - Option 2.

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**RIDER MFC – MERCHANT FUNCTION CHARGE**

**APPLICABILITY**

This Rider shall be applicable to residential customers taking service under Rate Schedules RSS, or CAP (unless an NGS is serving the CAP aggregation) and commercial or industrial customers taking service under Rate Schedule SGSS.

**CHARACTER OF RATE**

This Rider was established in compliance with the Pennsylvania Public Utility Commission's Revised Final Rulemaking Order dated June 23, 2011 in Docket No. L-2008-2069114 and is addressed in the PA Code Title 52, § 62.223.

The Merchant Function Charge reflects the cost of uncollectibles associated with natural gas costs billed to applicable customers by the Company.

**RATE**

The MFC is a component of the Price-to-Compare calculation as described in the Definitions section of this tariff.

The uncollectible expense ratios as specified below and determined in the most recent base rate case are used in the calculation of the MFC rate:

Residential uncollectible expense ratio	1.54%	(I)
Non-residential uncollectible expense ratio	0.44567%	(D)

The current MFC rates may be found in the Rate Summary pages of this Tariff.

**CALCULATION OF RATE**

The Rider MFC rate is calculated as follows:

$$\text{MFC} = \text{PGCC} \times \text{the uncollectible expense ratio}$$

where:

PGCC is the current Purchased Gas Commodity Cost as detailed in the Purchased Gas Cost Rider of this tariff.

(C) Indicates Change (D) Indicates Decrease (I) Indicates Increase

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**RIDER EBS – ELECTIVE BALANCING SERVICES (Continued)**

**Option 1: FULL BALANCING SERVICE - CHARACTER OF SERVICE (Continued)**

**During SFOs/OFOs/OMOs - Continued**

During periods when there is an SFO, OFO or OMO restriction of GDS over-deliveries, Shippers will be entitled to deliver to the Company up to one hundred two and one-half percent (102.5%) of the Company's maximum prescribed daily SFO, OFO or OMO quantity. However, should daily deliveries exceed one hundred two and one-half percent (102.5%) of the customer's maximum daily prescribed SFO, OFO, or OMO quantity, or if the cumulative excess deliveries exceed the bank tolerances described above, those excess daily deliveries shall be considered imbalance gas purchased by the Company pursuant to the Deliveries in Excess of Consumption or the Seasonal Flow Order paragraphs in the Rules Applicable Only to General Distribution Service section of the RADS and the Customer Proxy shall be charged in accordance with the Seasonal Flow Order, Operational Flow Order or Operational Matching Order paragraphs in the Rules Applicable Only to General Distribution Service section of the RADS.

**Option 1: IMBALANCE TRADING SERVICES**

**A) Bank Balance Transfers**

During Normal Operations, subject to the Limitations of Distribution Service in the Rules Applicable to All Distribution Service section of the RADS, Customer Proxies who subscribe to Rider EBS-Option 1 may transfer a bank balance that existed at the beginning of the month to another Customer Proxy that has also subscribed to Rider EBS-Option 1 and that also schedules deliveries to the Company's city-gates within the same Pipeline Scheduling Point. No pre-arranged contract is required. The Customer Proxy must submit all requests for Bank Balance Transfers to the Company in writing (e.g. fax, e-mail, electronic bulletin board) no later than the third business day following the last business day of the calendar month in which the trade is to apply. A fee of \$0.07 per Dth for each Dth transferred between Columbia Pipeline Scheduling Point shall be charged to the Customer Proxy transferring the bank balance. A fee of \$.07/Dth, with a cap of \$500 per trade, for transfers within a Pipeline Scheduling Point shall be charged to the Customer Proxy transferring the bank balance. EBS-Option 1 Customer Proxies who successfully transfer bank balances to eliminate an imbalance will not be subject to the Consumption in Excess of Deliveries or Deliveries in Excess of Consumption paragraphs in the Rules Applicable Only to General Distribution Service section of the RADS. (C)

During any month in which an SFO, OFO, or OMO was in effect, Customer Proxies who subscribe to Rider EBS-Option 1 may transfer a bank balance that existed at the beginning of the month to another Customer Proxy whose customer is located in the same Pipeline Scheduling Point that has also subscribed to Rider EBS-Option 1 and that schedules deliveries to the Company's city-gates on the same transmission company. Provided, however, that bank balance transfers will apply to the SFO, OFO, or OMO period only up to the level of daily access to banked quantities authorized by the OFO, OMO, or SFO. No pre-arranged contract is required. The Customer Proxy must submit all requests for Bank Balance Transfers to the Company in writing (e.g. fax, e-mail, electronic bulletin board) no later than the first business day following the last business day of the calendar month in which the trade is to apply. A fee of \$0.07 per Dth, with a cap of \$500 per trade, for transfers within a Pipeline Scheduling Point shall be charged to the Customer Proxy transferring the bank balance. EBS-Option 1 Customer Proxies who successfully transfer bank balances to eliminate an imbalance will not be subject to the Seasonal Flow Orders, Operational Flow Orders, Operational Matching Orders, Consumption in Excess of Deliveries and Deliveries in Excess of Consumption paragraphs in the Rules Applicable Only to General Distribution Service section of the RADS.

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3.7.4 When a difference between the Daily OFO Level and actual daily OFO compliance quantities delivered to the Company exists, the following charges will be assessed to the Customer Proxy:

- (1) Two dollars and eight cents (\$2.08) per thm on the difference, except however, the \$2.08 will not be assessed if the difference results from the Shipper delivering more than the Daily OFO Level during an OFO that restricts under-deliveries, or from the Shipper delivering less than the Daily OFO Level during an OFO that restricts over-deliveries; and,
- (2) The payment of all other charges incurred by the Company on the date of the OFO that results from the Shipper's failure to comply with the OFO, including a proportionate share of any pipeline penalties that are incurred by the Company.

(C)

### 3.8 OPERATIONAL MATCHING ORDERS (OMOs)

- 3.8.1 An OMO is a demand for specific actions on the part of Shippers that are serving Customers with daily measuring devices. All Customers with daily measuring devices, except as specified in the Operational Matching Order section in Paragraph 3 of the RADs, are subject to the Company's issuance of OMOs.
- 3.8.2 Customers that presently have daily measurement through a charted meter, but not an electronic meter, shall have the option of choosing to be governed by Operational Flow Orders as specified in this Paragraph 3 of the RADS. Customers will be able to exercise this option no more than one time each calendar year by notifying the Company in writing prior to November 1<sup>st</sup> of each year. Once an election is made, the customer's option will remain in effect until changed.
- 3.8.3 An OMO will be issued, to the extent possible, with a minimum of eight (8) hours notice to the affected parties. Notice shall be made by the medium most reasonably expected to reach the Customer Proxy with as much notice as reasonably expected to reach the Customer Proxy in a timely manner, including but not limited to: e-mail, facsimile, or Nomination EBB. The notice will include the circumstance that warrant the issuance of the OMO and explain why the actions required are necessary. The notice will be provided via e-mail to the PA PUC.
- 3.8.4 The Company shall have the authority to direct Customer Proxies to adjust Customer's daily consumption or daily scheduled deliveries (Daily OMO Level) in order that daily scheduled deliveries match Customer's consumption. In order to comply with the OMO, the Shipper may use gas quantities which are: 1) scheduled and delivered on that day to the Company in the same Pipeline Scheduling Point in which the Shipper's customer(s)'s facilities are located; 2) contracted for under Rate SS – Standby Service; 3) available pursuant to the Rider EBS-Option 1; or 4) additional quantities that may be made available to the Shipper by the Company at its sole discretion including quantities delivered in accordance with the Limitation for Failure of Shipper to Provide Gas to the Company in Customer's Local Market Area section in Paragraph 2 of the RADS.

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3.8.5 When a difference exists between the Daily OMO Level and actual daily OMO compliance quantities delivered, the following charges will be assessed:

- (1) Two dollars and eight cents (\$2.08) per thm on the difference, except however, the \$2.08 will not be assessed if the difference results from the Shipper delivering more than the Daily OMO Level during an OMO that restricts under-deliveries, or from the Shipper delivering less than the Daily OMO Level during an OMO that restricts over-deliveries; and (C)
- (2) Payment of all other charges incurred by the Company on the date of the OMO that result from the Shipper's failure to comply with the OMO, including a proportionate share of any pipeline penalties that are incurred by the Company.

### 3.9 LIMITATIONS ON NOMINATIONS

3.9.1 A Shipper shall not submit a daily gas supply nomination in excess of one hundred percent (100%) of the Customer's maximum daily quantity except with the Company's prior permission. The Company may reject a nomination to the extent it exceeds one hundred percent (100%) of a Customer's maximum daily quantity and confirm it at a level equal to the limit if the Shipper did not receive the Company's prior permission.

### 3.10 LIMITATIONS UPON EXCESS DELIVERIES

3.10.1 The Company reserves the right to limit its receipt of deliveries which are in excess of a Customer's consumption of gas for redelivery to a Customer on any given day ("Excess Deliveries") when such Excess Deliveries may cause the Company to incur penalties for exceeding its allowed daily or total Storage injection capacity of its supplying pipeline or other costs incurred to avoid or mitigate pipeline penalties. The level of the limitation shall be specified electronically by the Company to the Customer Proxy. The Company shall bill a proportionate share of the penalties and other costs that were incurred to avoid or mitigate pipeline penalties to all Customer Proxies whose Shipper fails to comply with the Company's limitation under this Paragraph.

### 3.11 CONSUMPTION IN EXCESS OF DELIVERIES (UNDER-DELIVERIES) (C)

3.11.1 If, in any billing cycle, the Customer's consumption, plus retainage on the distribution system is greater than the sum of: (a) the quantity of gas delivered to the Company's City Gate by the Shipper for the Customer's account during the billing cycle; plus (b) if the Customer Proxy subscribes to EBS-Option 1, access to banked gas quantities as permitted under EBS-Option 1; plus (c) bank transfers performed for that cycle, then such use shall be considered imbalance gas sold by the Company to the Customer Proxy.

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- 3.11.2 For Customer Proxies electing Rider EBS-Option 1 or Rider EBS-Option 2, the price for such imbalance gas shall be sold by the Company at the higher of: (C)
- i. a price equal to 120% of the average of the Daily Index prices for each day of the applicable month as reported in the Platts Gas Daily publication, in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint, plus the 100% load factor TCO FTS costs (including demand, commodity and retainage); or (C)
  - ii. the highest commodity cost of purchases by the Company during the calendar month, including the delivered cost of purchases at the city gate, if any, excluding any purchases under fixed price commodity contracts for which the price was determined more than thirty days before the beginning of the calendar month. (C)
- In addition, applicable taxes and Company transportation shall apply. Furthermore, if, in any month, Company incurs other charges, including gas costs, penalty charges or cash-outs caused by excess monthly under deliveries, the customer or NGS shall be charged its pro rata share of such charges. (C)
- During an SFO, the foregoing calculation shall be replaced by the table in the Seasonal Flow Order section in Paragraph 3 of the RADS. (C)
- 3.11.3 The Customer Proxy also shall be subject to any applicable penalty under the Operational Flow Order or Operational Matching Order sections of Paragraph 3 of these RADS in the event that such purchases occur during the existence of an OFO or OMO condition. (C)
- 3.11.4 The Customer Proxy has no right to make purchases pursuant to this provision, and all such sales are considered interruptible sales except to the extent that the Customer has contracted for Standby Service. (C)
- 3.11.5 The purchase of imbalance gas pursuant to this Paragraph shall not relieve the Customer Proxy of any applicable penalty resulting from the use of those quantities. (C)

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- 3.12 DELIVERIES IN EXCESS OF CONSUMPTION (OVER-DELIVERIES) (C)**
- 3.12.1 If, in any billing cycle, the Customer's consumption, plus retainage on the distribution system is less than the sum of: (a) the quantity of gas delivered to the Company's City Gate by the Shipper for the Customer's account during the billing cycle, minus (b) if the Customer Proxy subscribes to Rider EBS-Option 1, increases in the Customer Proxy's positive bank as permitted under EBS-Option 1, plus (c) bank transfers performed for the billing cycle, then such deliveries shall be considered imbalance gas purchased by the Company from the Customer Proxy.
- 3.12.2 For Customer Proxies electing Rider EBS-Option 1 or Rider EBS-Option 2, the price of such imbalance gas shall be purchased by the Company at the lower of: (C)
- i. a price equal to 80% of the average of the Daily Index prices for each day of the applicable month as reported in the Platts Gas Daily publication, in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint; or (C)
  - ii. the lowest commodity cost of purchases by the Company during the calendar month, including the delivered cost of purchases at the City Gate, if any, excluding any purchases under fixed price commodity contracts for which the prices was determined more than thirty (30) days before the beginning of the calendar month. (C)
- In addition, if, in any month the Company incurs other charges, including gas costs, penalty charges or cash-outs caused by excess monthly over deliveries, the Customer or NGS shall be charged its pro rata share of such charges. (C)
- During an SFO, the foregoing calculation shall be replaced by the table in the Seasonal Flow Order section in this Paragraph 3 of the RADS. (C)
- 3.12.3 The Customer Proxy also shall be subject to any applicable penalty under the Operational Flow Order and Operational Matching Order sections in this Paragraph 3 of the RADS in the event that such sale occurs during the existence of an OFO or OMO condition. (C)
- 3.12.4 The purchase of imbalance gas pursuant to this Paragraph shall not relieve the Customer Proxy of any applicable penalty resulting from the delivery of those quantities. (C)

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3.15.1 Conditions:

- 3.15.1.1 Any NGS electing Aggregation service must sign an Aggregation service agreement.
- 3.15.1.2 Aggregation Agents will be allowed to establish one or more Aggregation Nomination Groups. Customers in an Aggregation Nomination Group must be located within the same Company Local Market Area and the same Pipeline Scheduling Point. Aggregation Agents must provide written notice to the Company that a Customer has elected to be in an Aggregation Nomination Group. The written notice must include the name of the Customer and the Customer's account number. Aggregation Nomination Groups must be comprised solely of General Distribution Service Customers.
- 3.15.1.3 The Aggregation Agent shall use its best efforts to achieve a balance between its deliveries and its Aggregation Nomination Group's total usage both on a daily and monthly basis, for each Aggregation Nomination Group. The Company reserves the right: (1) to require an Aggregation Agent to balance deliveries and takes of gas; or (2) to require a reasonably uniform daily delivery rate of gas which, at month's end, will equal the Aggregation Nomination Group's requirements for each Aggregation Nomination Group.
- 3.15.1.4 Aggregation Nomination Groups may include Customers taking service under any GDS rate schedule. Each Aggregation Nomination Group must contain only Customers that have elected the same option under Rider EBS. (C)
- 3.15.1.5 An Aggregation Agent shall supply its Aggregation Nomination Group's full service requirements for natural gas. The Aggregation Agent accepts supply co-management responsibility as defined hereinafter.
- 3.15.1.6 Supply Co-Management Defined. The Aggregation Agent agrees to deliver gas supplies into the Company's designated City Gate receipt points on a daily basis, in accordance with the aggregate usage requirements of all those Customers that comprise the Aggregation Agent's Aggregation Nomination Group. For those General Distribution Service Customers which are members of Aggregation Agent's Aggregations Nomination Group without daily measurement, the Aggregation Agent agrees to the Company's estimate of takes and the Aggregation Agent agrees to pay all charges assessed by the Company as provided in the OFO paragraph of the Rules Applicable to Distribution Service.
- 3.15.1.7 The Aggregation Agent shall also be required to balance its gas deliveries into the Company's system with the estimated overall usage levels of each individual Aggregation Nomination Group, in accordance with the provisions of Rider EBS.

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- 4.10.1.2 The Company may retain, renew or replace the interstate pipeline capacity on the interstate pipeline other than Columbia Gas Transmission and require NGSs under this Schedule, if authorized by FERC rules or orders, to deliver a portion of supplies required by this Schedule into such capacity with such proportion determined as in Paragraph 4.10.1.1, or
- 4.10.1.3 The Company may make a payment to one or more NGSs to accept assignment of such capacity and use such capacity to meet the requirements of Customers. Such payment shall be recoverable by the Company from Customers. To the extent that such payment does not increase sales rates over levels which would be charged if the Company retained such capacity, it shall be recovered under the Purchased Gas Cost Rider from sales Customers and Customers subject to this Schedule. Any excess over such amount shall be recoverable under Rider CC.
- 4.10.2 The "Calculation of Demand Cost for Customers Electing Choice Service" provisions of the Purchased Gas Cost Rider shall be deemed modified to the extent necessary consistent with the Company's implementation of one of the foregoing procedures.
- 4.10.3 *In the event an OFO limits deliveries to the Company via FTS capacity below the level of any capacity assigned, the unused FTS capacity may be reassigned by the assignee for the duration of the OFO event. The NGS shall be required, prior to the end of the year for which the capacity was assigned, to deliver additional quantities via ITS equal to the quantities not delivered via FTS capacity during the OFO event.*

#### 4.11 OPERATIONAL FLOW ORDERS (OFOs)

- 4.11.1 All Choice NGSs are subject to the Company's issuance of OFOs. The Company will have the authority to direct NGSs to adjust daily scheduled quantities to a specified level. Generally, during peak design day conditions, this specified level will be equal to the Choice Daily Delivery Requirement. Should conditions be greater or less than peak design day conditions, the specified level of the OFO may be greater or less than the Choice Daily Delivery Requirement.
- 4.11.2 When a difference between the daily OFO quantity and actual daily scheduled deliveries to the Company exist, the following charges will be assessed:
- (1) Four dollars and sixteen cents (\$4.16) per thm on the difference; and, (C)
  - (2) The payment of all other charges incurred by the Company on the date of the OFO that results from the NGS's failure to comply with the OFO including a proportionate share of any pipeline penalties that are incurred by the Company.

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4.12 RATES

4.12.1 Customers served under Rate Schedules RDS and SCD will be billed all applicable charges under the rate schedule. The Customer, or Customer's NGS, shall pay directly to the interstate pipelines the charges for any assigned pipeline capacity.

4.12.2 For NGSs providing service under these Rules Applicable to Distribution Service, the following fees shall be assessed to the NGS:

NGS One-time Application Fee: \$390.00

4.12.3 In addition the following billing fees will apply:

Billed Account Adjustments: \$1,000.00 processing fee per adjustment plus;  
\$ 1.00 per adjusted account

4.12.4 Delivered Quantities. All quantities billed to Customers under these Rules Applicable to Distribution Service shall be considered actual quantities delivered, whether the meter reading is an actual or a calculated reading.

4.12.5 In recognition of the fact that the NGS is required to deliver the Choice Daily Delivery Requirement for each of its Choice Aggregation Nomination Groups, failure to deliver the Choice Daily Delivery Requirement for any Choice Aggregation Nomination Group shall subject the NGS to a charge on the difference between the Choice Daily Delivery Requirement and the actual daily deliveries. The Operational Flow Orders paragraph included in these Rules Applicable Only to Choice Service specifies the charge for days in which an SFO, OFO or OMO is in effect. For days in which an SFO, OFO or OMO is not in effect the charge will be two dollars and eight cents (\$2.08) per thm. In addition the NGS will be responsible for the payment of all other charges or costs incurred by the Company that result from the NGS's failure to deliver as required, including a proportionate share of any pipeline penalties incurred by the Company. In addition, the NGS will be required to deliver the remaining portion of its Choice Aggregation Nomination Group's estimated normalized usage via ITS in the summer months defined as April through October, unless the Company authorizes a lower or higher level of deliveries via ITS.

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