

**EQUITABLE GAS COMPANY,
a division of Equitable Resources, Inc.
before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION
Docket No. R-2008-2029325**

INFORMATION SUBMITTED PURSUANT TO:
Title 52 Pennsylvania Code § 53.51, et seq.,
Pa. P.U.C. Regulations Re: Filing of Rate Changes

**EXHIBITS IV AND V
VOLUME 1 OF 1**

Rate Structure and Additional Information

11/19/08

245

Equitable Exhibits IV and V

Docket No. R-2008-2029325

Volume 1 of 1

EQUITABLE GAS COMPANY

A Division of

EQUITABLE RESOURCES, INC.

Before the

PENNSYLVANIA PUBLIC UTILITY COMMISSION

EXHIBITS IV AND V

Rate Structure and Additional Information

INFORMATION SUBMITTED PURSUANT TO:

Title 52 Pennsylvania Code § 53.51, et seq.,
Pa. P.U.C. Regulations Re Filing of Rate Changes

Equitable Gas Company's 2008 General Rate Filing

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EXHIBIT IV (Rate Structure)
and
EXHIBIT V (Additional Information)
Volume 1 of 1

EQUITABLE GAS COMPANY

Tariff Gas – Pa. P.U.C. No. 22

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Pa. P.U.C. Regulation 53.53

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B. Gas Utilities	
1	R. A. Feingold
2	R. A. Feingold
3	R. A. Feingold
4	J. M. Quinn
5	R. M. Narkevic
6	R. M. Narkevic
7	R. M. Narkevic
8	J. M. Quinn
9	R. A. Feingold
10	R. M. Narkevic
11	R. M. Narkevic
12	R. M. Narkevic
13	J. M. Quinn
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53.62	J. M. Quinn
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Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

1. Provide a Cost of Service Study showing rate of return under the present and proposed tariffs for all customer classifications. The study should include a summary of the allocated measures of value, operating revenues, operating expenses and net return for each of the customer classifications at original cost and at the 5-year trended original cost.

Response:

Please see attached.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

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EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 1 OF 85

	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
<u>Revenues at Current Rates</u>					
1 Operating Revenue	157,631	108,258	14,584	29,463	5,326
2 Other revenue / Adjustments	<u>61</u>	<u>43</u>	<u>6</u>	<u>12</u>	<u>0</u>
3 Net revenues	157,693	108,301	14,590	29,475	5,326
<u>Operating Expenses</u>					
5 Operations, Customer, A&G	105,498	80,384	6,619	12,266	6,230
6 Depreciation expense	23,471	17,075	1,160	3,720	1,515
7 Taxes other than income	<u>2,186</u>	<u>1,542</u>	<u>177</u>	<u>449</u>	<u>18</u>
8 Operating expenses	131,155	99,001	7,956	16,435	7,763
9 Income tax expense	<u>4,348</u>	<u>2,953</u>	<u>436</u>	<u>833</u>	<u>125</u>
10 Total Operating Expenses	135,503	101,954	8,393	17,268	7,888
11 Income at Present Rates	<u>22,190</u>	<u>6,347</u>	<u>6,198</u>	<u>12,207</u>	<u>(2,562)</u>
12 Rate Base	<u>583,253</u>	<u>411,220</u>	<u>34,144</u>	<u>99,593</u>	<u>38,295</u>
13 Return on Rate Base at Present Rates	<u>3.80%</u>	<u>1.54%</u>	<u>18.15%</u>	<u>12.26%</u>	<u>(6.69%)</u>
14 Revenue Requirement at Full Cost of Service	209,642	154,663	12,486	29,648	12,844
15 Operating expenses	131,155	99,001	7,956	16,435	7,763
16 Income tax expense	25,531	18,001	1,495	4,360	1,676
17 Additional expenses	<u>1,103</u>	<u>1,103</u>	<u>0</u>	<u>0</u>	<u>0</u>
18	157,790	118,105	9,451	20,794	9,439
19 Income at Full Cost of Service	<u>51,852</u>	<u>36,557</u>	<u>3,035</u>	<u>8,854</u>	<u>3,404</u>
20 Return on Rate Base at Full Cost of Service	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>
21 Revenue INCREASE (DECREASE) to Achieve Full Cost of Service	<u>51,949</u>	<u>46,361</u>	<u>(2,104)</u>	<u>173</u>	<u>7,517</u>

EQUITABLE COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

EQUITY
ITEM: § 53.53 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 2 OF 85

	<u>Total</u>	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
REV. REQ. BY FUNCTIONAL CLASSIFICATION- TOTAL					
PRODUCTION & GATHERING					
1 Commodity Component	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
2	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
STORAGE					
3 Demand Component	<u>10,033</u>	<u>8,556</u>	<u>985</u>	<u>491</u>	<u>0</u>
4	<u>10,033</u>	<u>8,556</u>	<u>985</u>	<u>491</u>	<u>0</u>
TRANSMISSION					
5 Demand Component	<u>3,859</u>	<u>253</u>	<u>31</u>	<u>126</u>	<u>3,449</u>
6	<u>3,859</u>	<u>253</u>	<u>31</u>	<u>126</u>	<u>3,449</u>
DISTRIBUTION					
7 Demand Component	<u>68,658</u>	<u>41,043</u>	<u>5,066</u>	<u>22,253</u>	<u>297</u>
8 Customer Component	<u>51,109</u>	<u>46,394</u>	<u>2,667</u>	<u>1,904</u>	<u>144</u>
9	<u>119,767</u>	<u>87,437</u>	<u>7,733</u>	<u>24,157</u>	<u>440</u>
ONSITE					
10 Customer Component	<u>65,966</u>	<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>
11	<u>65,966</u>	<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>
TOTAL REVENUE REQUIREMENT					
12 Demand Component	<u>82,550</u>	<u>49,852</u>	<u>6,082</u>	<u>22,870</u>	<u>3,746</u>
13 Commodity Component	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
14 Customer Component	<u>117,074</u>	<u>104,022</u>	<u>6,276</u>	<u>6,340</u>	<u>436</u>
15 Total	<u>209,641</u>	<u>154,663</u>	<u>12,486</u>	<u>29,648</u>	<u>12,844</u>
16 Increase (Decrease) for Full COS	<u>51,949</u>	<u>46,361</u>	<u>(2,104)</u>	<u>173</u>	<u>7,517</u>

EQUITABLE COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.53 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 3 OF 85

		<u>Total</u>	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
REV. REQ. BY FUNCTIONAL CLASSIFICATION- UNITIZED						
PRODUCTION & GATHERING						
17	Commodity Component	\$ / mcf	\$0.04	\$0.03	\$0.02	\$0.60
STORAGE						
18	Demand Component	\$ / mcf-month	\$1.81	\$1.69	\$0.21	\$0.00
TRANSMISSION						
19	Demand Component	\$ / mcf-month	\$0.05	\$0.05	\$0.05	\$0.24
DISTRIBUTION						
20	Demand Component	\$ / mcf-month	\$8.70	\$8.67	\$9.49	\$0.02
21	Customer Component	\$ / cust-month	\$16.16	\$13.97	\$86.09	\$0.01
ONSITE						
22	Customer Component	\$ / cust-month	\$20.07	\$18.91	\$200.58	\$0.02
TOTAL REVENUE REQUIREMENT						
23	Demand Component	\$ / mcf-month	\$10.56	\$10.40	\$9.76	\$0.26
24	Commodity Component	\$ / mcf	\$0.04	\$0.03	\$0.02	\$0.60
25	Customer Component	\$ / cust-month	\$36.23	\$32.88	\$286.67	\$0.03
26	Demand Allocator X 1000	637 Peak	393	49	195	0
27	Commodity Allocator X 1000	61,075 Gas_Deliver_w/AGS	22,187	3,805	20,639	14,444
28	Customer Allocator X 1000	3,084 Bills_All	2,871	191	22	-

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 4 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE						
I. GAS PLANT IN SERVICE						
A. INTANGIBLE PLANT						
1 Organization	301	50	35	3	8	3
2 Intangible Plant - Software- Labor	303Lab	3,342	2,285	288	496	274
3 Intangible Plant - Software- Customer	303Cust	2,743	2,553	170	20	0
4 Intangible Plant - Software- Plant	303Plt	2,485	1,851	130	504	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	14,549	967	112	0
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248	21,272	1,558	1,140	277
B. PRODUCTION & GATHERING PLANT						
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	0	0	0	28,445
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445	0	0	0	28,445
C. STORAGE PLANT						
9 Storage Plant	360-368	0	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0	0	0	0	0
D. TRANSMISSION PLANT						
11 Transmission plant	365-370	106	66	8	33	0
12 Transmission - Mains	367	1,243	767	95	381	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	0	0	0	14,171
14 Transmission - Mains - Direct Assign.	367 DA	16,830	0	0	0	16,830
15 Subtotal - TRANSMISSION PLANT	365-370	32,350	832	103	413	31,001
E. DISTRIBUTION PLANT						
16 Land and Land Rights	374	1,893	1,429	102	362	0
17 Land and Land Rights - Direct Assign.	374 DA	564	0	0	564	0
18 Structures and Improvements	375	2,111	1,593	113	404	0
19 Mains	376	457,729	308,578	33,870	117,281	0
20 Mains - Direct Assign.	376 DA	10,267	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	9,950	1,233	4,943	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	276	34	137	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	0	0	0	0
25 Services	380	226,432	213,758	2,209	10,465	0
26 Meters	381	17,775	12,344	1,821	3,610	0
27 Meter Installations	382	9,208	6,395	943	1,870	0
28 House Regulators	383	5,656	3,852	865	939	0
29 House Regulator Installations	384	1,514	1,031	231	251	0
30 Ind. Meas. & Reg. Station Equip.	385	441	0	0	441	0
31 Property on Customers' Premises	386	15,838	14,394	356	1,087	0
32 Other Equipment	387	324	0	324	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793	571,601	42,101	154,092	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 5 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT						
34 Land and Land Rights	389	78	56	4	15	3
35 Structures and Improvements	390	7,842	5,599	422	1,552	269
36 Structures and Improvements - Direct Assign.	390 DA	67	0	0	0	67
37 Office Furniture and Equipment	391	12,224	8,727	658	2,420	420
38 Office Furniture and Equipment - Direct Assign.	391 DA	2	0	0	0	2
39 Transportation Equipment	392	10,288	7,345	553	2,036	353
40 Stores Equipment	393	47	34	3	9	2
41 Tools & Garage Equipment	394	4,271	3,049	230	845	147
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	0	0	0	26
43 Laboratory Equipment	395	0	0	0	0	0
44 Power Operated Equipment	396	3,155	2,253	170	625	108
45 Communication Equipment	397	6,923	4,942	372	1,370	238
46 Communication Equipment - Direct Assign.	397 DA	6	0	0	0	6
47 Miscellaneous Equipment	398	32	23	2	6	1
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	0	0	156	0
49 Subtotal - GENERAL PLANT	389-399	45,118	32,028	2,413	9,035	1,641
50 TOTAL UTILITY PLANT		897,955	625,733	46,176	164,681	61,365
II. DEPRECIATION RESERVE						
51 Intangible Plant	108	8,236	7,225	529	387	95
52 Production & Gathering Plant	108.2	0	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	0	0	0	8,153
54 Local Storage Plant	108.3	0	0	0	0	0
55 Transmission Plant	108.4	658	406	50	202	0
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	0	0	0	11,969
57 Mains	109	130,432	85,603	9,434	35,395	0
58 Services	109	83,524	78,849	815	3,860	0
59 Meters	109	12,975	9,011	1,329	2,635	0
60 Distr Other	109	13,987	9,809	983	3,196	0
61 General Plant	109	19,396	13,848	1,043	3,839	666
62 General Plant - Direct Assign.	108.8 DA	21	0	0	0	21
63 TOTAL DEPRECIATION RESERVE	108	289,353	204,751	14,183	49,515	20,904
III. OTHER RATE BASE ITEMS						
64 Materials and Supplies		887	634	48	176	30
65 Current Gas Storage		75,176	64,111	7,384	3,681	0
66 Prepayments		234	179	14	29	13
67 Deferred Income Taxes - Depreciation		(102,286)	(75,891)	(5,653)	(20,743)	0
68 Deferred Income Taxes - Direct Assign.		(2,423)	0	0	0	(2,423)
69 Deferred ITC		(4,903)	(3,638)	(271)	(994)	0
70 Customer Deposits		(3,370)	(2,775)	(209)	(385)	0
71 TOTAL OTHER RATE BASE ITEMS		(36,684)	(17,381)	1,314	(18,237)	(2,380)
72 TOTAL RATE BASE (Excl. Working Capital)		571,917	403,602	33,306	96,929	38,081
73 Working Capital	131	11,335	7,619	838	2,664	214
74 TOTAL RATE BASE		583,253	411,220	34,144	99,593	38,295

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 6 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES						
I. OPERATION & MAINTENANCE EXPENSE						
A. PRODUCTION & GATHERING EXPENSES						
75 Operations Expense	750-756	1,043	0	0	0	1,043
76 Maintenance Expense	761-765	<u>1,766</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,766</u>
77 Subtotal - Production and Gathering	750-765	2,809	0	0	0	2,809
:						
B. OTHER GAS SUPPLY EXPENSES						
78 Natural gas field line purchases	801	0	0	0	0	0
79 Natural gas transmission line purchases	803	0	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	0	0	0	0
81 Other Natural Gas Purchases	805	0	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	0	0	0	0
84 Gas Withdrawn from Storage	808	0	0	0	0	0
85 Gas Delivered to Storage	808	0	0	0	0	0
86 Other Gas Supply Expense	813	<u>391</u>	<u>279</u>	<u>44</u>	<u>68</u>	<u>0</u>
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391	279	44	68	0
C. NATURAL GAS STORAGE						
88 LNG Operating Exp Admin	840	0	0	0	0	0
89 Operating Exp- Admin	850	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
90 Subtotal - NATURAL GAS STORAGE	840-850	0	0	0	0	0
D. TRANSMISSION EXPENSES						
91 Transmission expenses	856-863					
92 Subtotal- Transmission Expenses	856-863	0	0	0	0	0
E. DISTRIBUTION EXPENSES						
93 Operation Supv & Engineering	870	1,773	1,313	100	360	0
94 Load Dispatching	871	112	53	9	50	0
95 Compressor Station Fuel and Power	873	0	0	0	0	0
96 Mains and Services Expenses	874	5,088	3,721	258	988	120
97 Meas. & Reg. Station Expense General	875	100	62	8	31	0
98 Meas. & Reg. Station Expense Industrial	876	0	0	0	0	0
99 Meter & House Regulator Expenses	878	6,062	4,193	685	1,184	0
100 Customer Installation Expense	879	62	62	0	0	0
101 Other Expenses - Safety and Environmental	880	632	395	43	123	71
102 Other Expenses	880	650	454	52	144	0
103 Distribution Rents	881	602	446	34	122	0
104 Maint. Supervision & Engineering	885	885	577	95	212	0
105 Maintenance of Structures & Improvements	886	516	384	27	105	0
106 Maint. of Mains	887	5,521	3,624	399	1,498	0
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	735	91	365	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	6	1	3	0
109 Maint. of Services	892	663	626	6	31	0
110 Maint. of Meters & House Regulators	893	107	74	12	21	0
111 Maintenance of Other Equipment	894	67	50	4	14	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	<u>24,042</u>	<u>16,775</u>	<u>1,825</u>	<u>5,250</u>	<u>191</u>
113 TOTAL OPERATION & MAINTENANCE EXPENSES		<u>27,242</u>	<u>17,054</u>	<u>1,870</u>	<u>5,318</u>	<u>3,000</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 7 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES						
114 Customer Service - Administrative	901	225	210	14	2	0
115 Meter Reading Expenses	902	587	546	36	4	0
116 Customer Records & Collection Expense	903	10,270	9,561	636	74	0
117 Uncollectible Accounts	904	25,050	23,515	540	995	0
118 Miscellaneous Customer Accounts Expenses	905	0	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132	33,832	1,225	1,075	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES						
120 Operation Supervision	907	0	0	0	0	0
121 Customer Assist- Other	908	509	474	32	4	0
122 Other Customer Service & Informational Expense	910	698	698	0	0	0
123 Supervision	911	0	0	0	0	0
124 Demonstration	912	660	0	591	68	0
125 Advertising expense	913	24	0	22	3	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891	1,172	644	75	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		38,024	35,004	1,870	1,149	0
IV. ADMINISTRATIVE & GENERAL EXPENSES						
A. Labor-Related:						
128 Administrative & General Salaries	920	5,940	4,080	515	896	449
129 Administrative & General Salaries - Direct Assign.	920 DA	550	0	0	0	550
130 Office Supplies & Expenses	921	817	561	71	123	62
131 Outside Services Employed - Resid.	923	180	180	0	0	0
132 Outside Services Employed - Labor	923L	3,637	2,498	316	548	275
133 Injuries & Damages	925Labor	338	232	29	51	26
134 Employee Pensions and Benefits	926	5,725	3,933	497	863	433
135 Rents	931	4,025	2,765	349	607	304
136 Subtotal - O&M Accounts 920-923, 925L, 926		21,213	14,250	1,777	3,088	2,098
B. Plant-Related:						
137 Property Insurance	924	335	240	18	66	12
138 Outside Services Employed-plant	923p	135	97	7	27	5
139 Injuries & Damages	925Plant	4,130	2,949	222	817	142
140 Misc. Maintenance Expense	932	1,228	872	66	246	45
141 Misc. Maintenance Expense - Direct Assign.	932 DA	50	0	0	0	50
142 Subtotal - O&M Accounts 924-925P		5,879	4,166	313	1,157	253
C. Other-Related:						
143 Administrative Expenses Transferred	922	(37)	(24)	(2)	(7)	(3)
144 Outside Services Employed-cust	923c	5,083	4,732	315	36	0
145 Outside Services Employed-plant-O&M	923p-om	7,021	4,593	418	1,342	668
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	200	0	0	0	200
147 Regulatory Commission Expenses	928	517	370	36	111	0
148 General Advertising Expense	930.1	201	144	14	43	0
149 Miscellaneous General Expenses	930.2	156	105	9	28	15
150 Subtotal - O&M Accounts 928-935		13,142	9,920	789	1,554	879
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		40,234	28,326	2,879	5,799	3,230
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		105,499	80,384	6,619	12,266	6,230

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.52-1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 8 OF 85

Account Description	Account Code	Total Allocated Dollars	TOTAL Class Allocation			
			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE						
153 Intangible Plant	180Int	2,439	2,140	157	115	28
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	0	0	0	631
155 Local Storage Plant	180Stor	0	0	0	0	0
156 Transmission Plant	180Trans	9	5	1	3	0
157 Transmission Plant - Direct Assign.	180Trans DA	704	0	0	0	704
158 Mains (Distribution)	180Mains	6,999	4,594	506	1,899	0
159 Services	180Services	5,815	5,489	57	269	0
160 Meters	180Meters	796	553	82	162	0
161 Distr Other	180Dist	2,003	1,404	141	458	0
162 General Plant	180Gen	4,071	2,890	218	815	148
163 General Plant - Direct Assign.	180Gen DA	4	0	0	0	4
164 Adjustments		0	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	23,471	17,075	1,160	3,720	1,515
VI. TAXES						
A. General Taxes						
166 PA PUC Assessment		1,139	805	111	224	0
167 Local property taxes		63	47	4	13	0
168 Public utility reality tax		519	385	30	104	0
169 State capital stock tax		447	297	32	100	18
170 Miscellaneous tax		17	8	1	8	0
171 Subtotal- Taxes Other Than Income Taxes	408	2,186	1,542	177	449	18
B. Income Tax Expense						
172 State Income Tax expense		(1,009)	(686)	(101)	(193)	(29)
173 Federal Income Tax expense		5,363	3,643	538	1,028	154
174 Investment Tax Credit - Amortization		(6)	(4)	(1)	(1)	(0)
175 Subtotal- Income tax expense		4,348	2,953	436	833	125
176 TOTAL TAX EXPENSE		6,534	4,495	614	1,282	143
177 TOTAL EXPENSES		135,504	101,954	8,393	17,268	7,888
3. REVENUES at Present Rates						
178 Sales and Transport Revenue	480-483	154,865	105,632	14,510	29,396	5,326
179 Forfeited Discounts		1,558	1,462	34	62	0
180 Miscellaneous Service Revenue		1,209	1,163	40	5	0
181 Other Operating Revenue		61	43	6	12	0
182 Subtotal- Gas Revenues, net		157,693	108,301	14,590	29,475	5,326
183 TOTAL REVENUE		157,693	108,301	14,590	29,475	5,326
184 TOTAL EXPENSES		135,504	101,954	8,393	17,268	7,888
185 NET INCOME at Present Rates		22,189	6,347	6,198	12,207	(2,562)
			0	0	0	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 9 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY						
186	Total revenues	157,693	108,301	14,590	29,475	5,326
187	Total Operating Expenses	105,499	80,384	6,619	12,266	6,230
188	Depreciation Expense	23,471	17,075	1,160	3,720	1,515
189	Taxes other than Income	<u>2,186</u>	<u>1,542</u>	<u>177</u>	<u>449</u>	<u>18</u>
190	Total Other Expenses	25,657	18,617	1,338	4,169	1,533
191	Income tax expense	4,348	2,953	436	833	125
192	Total expenses	135,504	101,954	8,393	17,268	7,888
193	NET INCOME at Present Rates	<u>22,189</u>	<u>6,347</u>	<u>6,198</u>	<u>12,207</u>	<u>(2,562)</u>
194	Total Rate Base	583,253	411,220	34,144	99,593	38,295
195						
REVENUE REQUIREMENTS						
196	Target ROR	8.89%	8.89%	8.89%	8.89%	8.89%
197	Using Target for System					
198	Rate Base	583,253	411,220	34,144	99,593	38,295
199	Operating expenses	105,499	80,384	6,619	12,266	6,230
200	Depreciation expense	23,471	17,075	1,160	3,720	1,515
201	Taxes other than Income	<u>2,186</u>	<u>1,542</u>	<u>177</u>	<u>449</u>	<u>18</u>
202	Operating expenses to recover	131,156	99,001	7,956	16,435	7,763
203	Target Return on Rate Base- After taxes	51,851	36,557	3,035	8,854	3,404
204	Income taxes to recover	21,183	25,531	1,495	4,360	1,676
205	Additional expenses		1,103	0	0	0
206	TOTAL REVENUE REQUIREMENT	<u>209,642</u>	<u>154,663</u>	<u>12,486</u>	<u>29,648</u>	<u>12,844</u>
	Effective tax rate	32.99%	32.99%	32.99%	32.99%	32.99%
	Class Actual RORs	3.80%	1.54%	18.15%	12.26%	(6.69%)

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 10 OF 85

Account Description	Account Code	Total Allocated Dollars	TOTAL Class Allocation			
			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>						
207 Accounts Receivable- Gas		0	0	0	0	0
208 Accounts Receivable- Other		0	0	0	0	0
209 Accrued Gas Revenues		0	0	0	0	0
210 Accounts Receivable, Total		0	0	0	0	0
211 Gas, LNG in Storage		0	0	0	0	0
212 Inventories & Other, Total		0	0	0	0	0
213 Accounts Payable, Natural Gas		3,330	1,585	272	1,474	0
214 Accounts Payable, Other- Labor		2,867	1,973	249	434	210
215 Accounts Payable, Other- O&MxGas		5,395	4,245	331	807	13
216 Accounts Payable, Total		11,592	7,802	852	2,715	223
217 Accrued interest		(1,083)	(773)	(58)	(214)	(37)
218 Other, net		826	590	44	163	28
219 Defd Items & Other, Total		(257)	(184)	(14)	(51)	(9)
220 Total Working Capital		11,335	7,619	838	2,664	214

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.55 (1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 11 OF 85

		FUNCTIONALIZATION						
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
1. RATE BASE								
I. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT								
1 Organization	301	50	RATEBASE	2	8	2	36	4
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	266	0	8	1,514	1,554
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	0	0	0	0	2,743
4 Intangible Plant - Software- Plant	303Plt	2,485	DIST	0	0	0	2,485	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	0	0	0	0	15,628
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248		268	6	10	4,035	19,928
B. PRODUCTION & GATHERING PLANT								
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	28,445	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445		28,445	0	0	0	0
C. STORAGE PLANT								
9 Storage Plant	360-368	0	None	0	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0
D. TRANSMISSION PLANT								
11 Transmission plant	365-370	106	TRANS	0	0	106	0	0
12 Transmission - Mains	367	1,243	TRANS	0	0	1,243	0	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	0	0	14,171	0	0
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	0	0	16,830	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	32,350		0	0	32,350	0	0
E. DISTRIBUTION PLANT								
16 Land and Land Rights	374	1,893	DIST	0	0	0	1,893	0
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	0	0	0	564	0
18 Structures and Improvements	375	2,111	DIST	0	0	0	2,111	0
19 Mains	376	457,729	DIST	0	0	0	457,729	0
20 Mains - Direct Assign.	376 DA	10,267	DIST	0	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	0	0	0	16,126	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	0	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	0	0	0	447	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	DIST	0	0	0	0	0
25 Services	380	226,432	DIST	0	0	0	226,432	0
26 Meters	381	17,775	ONSITE	0	0	0	0	17,775
27 Meter Installations	382	9,208	ONSITE	0	0	0	0	9,208
28 House Regulators	383	5,656	ONSITE	0	0	0	0	5,656
29 House Regulator Installations	384	1,514	ONSITE	0	0	0	0	1,514
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	0	0	0	0	441
31 Property on Customers' Premises	386	15,838	ONSITE	0	0	0	0	15,838
32 Other Equipment	387	324	DIST	0	0	0	324	0
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793		0	0	0	717,361	50,432

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 12 OF 85

FUNCTIONALIZATION									
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	
F. GENERAL PLANT									
34 Land and Land Rights	389	78	PLANT	3	0	3	68	5	
35 Structures and Improvements	390	7,842	PLANT	269	0	306	6,789	477	
36 Structures and Improvements - Direct Assign.	390 DA	67	PLANT_AGS	42	0	25	0	0	
37 Office Furniture and Equipment	391	12,224	PLANT	420	0	477	10,583	744	
38 Office Furniture and Equipment - Direct Assign.	391 DA	2	PLANT_AGS	1	0	1	0	0	
39 Transportation Equipment	392	10,288	PLANT	353	0	402	8,907	626	
40 Stores Equipment	393	47	PLANT	2	0	2	41	3	
41 Tools & Garage Equipment	394	4,271	PLANT	147	0	167	3,698	260	
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	PLANT_AGS	16	0	10	0	0	
43 Laboratory Equipment	395	0	None	0	0	0	0	0	
44 Power Operated Equipment	396	3,155	PLANT	108	0	123	2,732	192	
45 Communication Equipment	397	6,923	PLANT	238	0	270	5,993	421	
46 Communication Equipment - Direct Assign.	397 DA	6	PLANT_AGS	4	0	2	0	0	
47 Miscellaneous Equipment	398	32	PLANT	1	0	1	28	2	
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	PLANTxAGS	0	0	3	143	10	
49 Subtotal - GENERAL PLANT	389-399	45,118		1,604	0	1,792	38,981	2,740	
50 TOTAL UTILITY PLANT		897,955		30,317	6	34,152	760,378	73,101	
II. DEPRECIATION RESERVE									
51 Intangible Plant	108	8,236	INTANG_PT	91	2	3	1,371	6,768	
52 Production & Gathering Plant	108.2	0	PRODGATH	0	0	0	0	0	
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	PRODGATH	8,153	0	0	0	0	
54 Local Storage Plant	108.3	0	None	0	0	0	0	0	
55 Transmission Plant	108.4	658	TRANS	0	0	658	0	0	
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	TRANS	0	0	11,969	0	0	
57 Mains	109	130,432	DIST	0	0	0	130,432	0	
58 Services	109	83,524	DIST	0	0	0	83,524	0	
59 Meters	109	12,975	ONSITE	0	0	0	0	12,975	
60 Distr Other	109	13,987	DIST_xMSM	0	0	0	6,916	7,072	
61 General Plant	109	19,396	PLANT	666	0	757	16,793	1,181	
62 General Plant - Direct Assign.	108.8 DA	21	PLANT_AGS	13	0	8	0	0	
63 TOTAL DEPRECIATION RESERVE	108	289,353		8,924	2	13,396	239,035	27,996	
III. OTHER RATE BASE ITEMS									
64 Materials and Supplies		887	PLANT	30	0	35	768	54	
65 Current Gas Storage		75,176	STOR	0	75,176	0	0	0	
66 Prepayments		234	O&MxGas	13	0	1	97	122	
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	0	0	(2,027)	(93,674)	(6,586)	
68 Deferred Income Taxes - Direct Assign.		(2,423)	PLANT_AGS	(1,522)	0	(901)	0	0	
69 Deferred ITC		(4,903)	PLANTxAGS	0	0	(97)	(4,490)	(316)	
70 Customer Deposits		(3,370)	DIST	0	0	0	(3,370)	0	
71 TOTAL OTHER RATE BASE ITEMS		(36,684)		(1,478)	75,176	(2,988)	(100,669)	(6,725)	
72 TOTAL RATE BASE (Excl. Working Capital)		571,917		19,915	75,180	17,768	420,674	38,380	
73 Working Capital	131	11,335		3,858	0	28	3,315	4,135	
74 TOTAL RATE BASE		583,253		23,773	75,180	17,795	423,989	42,515	

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 13 OF 85

		FUNCTIONALIZATION							
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	
2. EXPENSES									
I. OPERATION & MAINTENANCE EXPENSE									
A. PRODUCTION & GATHERING EXPENSES									
75 Operations Expense	750-756	1,043	PRODGATH	1,043	0	0	0	0	
76 Maintenance Expense	761-765	1,766	PRODGATH	1,766	0	0	0	0	
77 Subtotal - Production and Gathering	750-765	2,809		2,809	0	0	0	0	
B. OTHER GAS SUPPLY EXPENSES									
78 Natural gas field line purchases	801	0	None	0	0	0	0	0	
79 Natural gas transmission line purchases	803	0	None	0	0	0	0	0	
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0	0	
81 Other Natural Gas Purchases	805	0	None	0	0	0	0	0	
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0	0	
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0	0	
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0	0	
85 Gas Delivered to Storage	808	0	None	0	0	0	0	0	
86 Other Gas Supply Expense	813	391	PRODGATH	391	0	0	0	0	
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391		391	0	0	0	0	
C. NATURAL GAS STORAGE									
88 LNG Operating Exp Admin	840	0	None	0	0	0	0	0	
89 Operating Exp- Admin	850	0	None	0	0	0	0	0	
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0	
D. TRANSMISSION EXPENSES									
91 Transmission expenses	856-863	0	None	0	0	0	0	0	
92 Subtotal- Transmission Expenses	856-863	0		0	0	0	0	0	
E. DISTRIBUTION EXPENSES									
93 Operation Supv & Engineering	870	1,773	DIST_PT	0	0	0	1,656	116	
94 Load Dispatching	871	112	PRODGATH	112	0	0	0	0	
95 Compressor Station Fuel and Power	873	(0)	DIST	0	0	0	(0)	0	
96 Mains and Services Expenses	874	5,088	MAIN_SERV_TRANMAIN	0	0	129	4,959	0	
97 Meas. & Reg. Station Expense General	875	100	DIST	0	0	0	100	0	
98 Meas. & Reg. Station Expense Industrial	876	0	ONSITE	0	0	0	0	0	
99 Meter & House Regulator Expenses	878	6,062	ONSITE	0	0	0	0	6,062	
100 Customer Installation Expense	879	62	ONSITE	0	0	0	0	62	
101 Other Expenses - Safety and Environmental	880	632	O&MxAcct880	81	0	3	377	172	
102 Other Expenses	880	650	O&MxAcct880	83	0	3	387	177	
103 Distribution Rents	881	602	DIST_PT	0	0	0	562	40	
104 Maint. Supervision & Engineering	885	885	DIST	0	0	0	885	0	
105 Maintenance of Structures & Improvements	886	516	DIST	0	0	0	516	0	
106 Maint. of Mains	887	5,521	DIST	0	0	0	5,521	0	
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	DIST	0	0	0	1,192	0	
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	DIST	0	0	0	10	0	
109 Maint. of Services	892	663	ONSITE	0	0	0	0	663	
110 Maint. of Meters & House Regulators	893	107	ONSITE	0	0	0	0	107	
111 Maintenance of Other Equipment	894	67	DIST	0	0	0	67	0	
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042		276	0	135	16,232	7,399	
113 TOTAL OPERATION & MAINTENANCE EXPENSES		27,242		3,475	0	135	16,232	7,399	

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 14 OF 85

FUNCTIONALIZATION									
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	
II. CUSTOMER ACCOUNTS EXPENSES									
114 Customer Service - Administrative	901	225	ONSITE	0	0	0	0	225	
115 Meter Reading Expenses	902	587	ONSITE	0	0	0	0	587	
116 Customer Records & Collection Expense	903	10,270	ONSITE	0	0	0	0	10,270	
117 Uncollectible Accounts	904	25,050	ONSITE	0	0	0	0	25,050	
118 Miscellaneous Customer Accounts Expenses	905	0	ONSITE	0	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132		0	0	0	0	36,132	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES									
120 Operation Supervision	907	0	None	0	0	0	0	0	
121 Customer Assist- Other	908	509	DIST	0	0	0	509	0	
122 Other Customer Service & Informational Expense	910	698	DIST	0	0	0	698	0	
123 Supervision	911	0	DIST	0	0	0	0	0	
124 Demonstration	912	660	DIST	0	0	0	660	0	
125 Advertising expense	913	24	DIST	0	0	0	24	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891		0	0	0	1,891	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		38,024		0	0	0	1,891	36,132	
IV. ADMINISTRATIVE & GENERAL EXPENSES									
A. Labor-Related:									
128 Administrative & General Salaries	920	5,940	LABOR	473	0	15	2,690	2,762	
129 Administrative & General Salaries - Direct Assign.	920 DA	550	LABOR	44	0	1	249	256	
130 Office Supplies & Expenses	921	817	LABOR	65	0	2	370	380	
131 Outside Services Employed - Resid.	923	180	LABOR	14	0	0	81	84	
132 Outside Services Employed - Labor	923L	3,637	LABOR	290	0	9	1,647	1,691	
133 Injuries & Damages	925Labor	338	LABOR	27	0	1	153	157	
134 Employee Pensions and Benefits	926	5,725	LABOR	456	0	14	2,593	2,662	
135 Rents	931	4,025	LABOR	321	0	10	1,823	1,872	
136 Subtotal - O&M Accounts 920-923, 925L, 926		21,213		1,691	0	53	9,606	9,864	
B. Plant-Related:									
137 Property Insurance	924	335	PLANT	12	0	13	290	20	
138 Outside Services Employed-plant	923p	135	PLANT	5	0	5	117	8	
139 Injuries & Damages	925Plant	4,130	PLANT	142	0	161	3,576	251	
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	44	0	49	1,061	75	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	50	GENERAL PT	2	0	2	43	3	
142 Subtotal - O&M Accounts 924-926P		5,879		203	0	230	5,087	358	
C. Other-Related:									
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	(3)	0	(1)	(27)	(6)	
144 Outside Services Employed-cust	923c	5,083	DIST	0	0	0	5,083	0	
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	568	0	155	5,131	1,167	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	200	PLANT_O&M	16	0	4	146	33	
147 Regulatory Commission Expenses	928	517	PLANT_O&M	42	0	11	378	86	
148 General Advertising Expense	930.1	201	PLANT_O&M	18	0	4	147	33	
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	13	0	3	114	28	
150 Subtotal - O&M Accounts 928-935		13,142		652	0	177	10,972	1,340	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		40,234		2,546	0	461	25,666	11,561	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		105,499		6,022	0	598	43,789	55,092	

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 15 OF 85

Account Description	Account Code	Account Balance	Allocation Factor	FUNCTIONALIZATION				
				PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
V. DEPRECIATION EXPENSE								
153 Intangible Plant	180Int	2,439	INTANG_PT	27	1	1	406	2,005
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	PRODGATH_PT	631	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0	0
156 Transmission Plant	180Trans	9	TRANS	0	0	9	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	0	0	704	0	0
158 Mains (Distribution)	180Mains	6,999	DIST	0	0	0	6,999	0
159 Services	180Services	5,815	DIST	0	0	0	5,815	0
160 Meters	180Meters	796	ONSITE	0	0	0	0	796
161 Distr Other	180Dist	2,003	DIST_xMSM	0	0	0	990	1,012
162 General Plant	180Gen	4,071	GENERAL_PT	145	0	162	3,518	247
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	3	0	2	0	0
164 Adjustments		0	None	0	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	23,471		806	1	876	17,728	4,060
VI. TAXES								
A. General Taxes								
166 PA PUC Assessment		1,139	DIST	0	0	0	1,139	0
167 Local property taxes		63	PLANTxAGS	0	0	1	58	4
168 Public utility reality tax		519	PLANTxAGS	0	0	10	475	33
169 State capital stock tax		447	RATEBASE	18	58	14	325	33
170 Miscellaneous tax		17	PRODGATH	17	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	2,186		35	58	25	1,998	70
B. Income Tax Expense								
172 State Income Tax expense		(1,009)	Pre-Tax	(50)	(56)	(15)	(526)	(362)
173 Federal Income Tax expense		5,363	Pre-Tax	266	299	79	2,795	1,924
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	(0)	(0)	(0)	(3)	(2)
175 Subtotal- Income tax expense		4,348		216	242	64	2,266	1,560
176 TOTAL TAX EXPENSE		6,534		251	300	89	4,263	1,630
177 TOTAL EXPENSES		135,504		7,078	300	1,562	65,781	60,782
3. REVENUES at Present Rates								
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	7,399	7,411	2,851	88,474	48,730
179 Forfeited Discounts		1,558	ONSITE	0	0	0	0	1,558
180 Miscellaneous Service Revenue		1,209	ONSITE	0	0	0	0	1,209
181 Other Operating Revenue		61	DIST	0	0	0	61	0
182 Subtotal- Gas Revenues, net		157,693		7,399	7,411	2,851	88,535	51,497
183 TOTAL REVENUE		157,693		7,399	7,411	2,851	88,535	51,497
184 TOTAL EXPENSES		135,504		7,078	300	1,562	65,781	60,782
185 NET INCOME at Present Rates		22,189		321	7,111	1,288	22,754	(9,286)

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 16 OF 85

		FUNCTIONALIZATION						
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
SUMMARY								
186	Total revenues	157,693		7,399	7,411	2,851	88,535	51,497
187	Total Operating Expenses	105,499		6,022	0	596	43,789	55,092
188	Depreciation Expense	23,471		806	1	876	17,728	4,060
189	Taxes other than Income	<u>2,186</u>		<u>35</u>	<u>58</u>	<u>25</u>	<u>1,998</u>	<u>70</u>
190	Total Other Expenses	25,657		841	58	902	19,725	4,131
191	Income tax expense	4,348		216	242	64	2,266	1,560
192	Total expenses	135,504		7,078	300	1,562	65,781	60,782
193	NET INCOME at Present Rates	<u>22,189</u>		<u>321</u>	<u>7,111</u>	<u>1,288</u>	<u>22,754</u>	<u>(9,286)</u>
194	Total Rate Base	<u>583,253</u>		<u>23,773</u>	<u>75,180</u>	<u>17,795</u>	<u>423,989</u>	<u>42,515</u>
195								
REVENUE REQUIREMENTS								
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%	8.89%
197	Using Target for System							
198	Rate Base	583,253		23,773	75,180	17,795	423,989	42,515
199	Operating expenses	105,499		6,022	0	596	43,789	55,092
200	Depreciation expense	23,471		806	1	876	17,728	4,060
201	Taxes other than Income	<u>2,186</u>		<u>35</u>	<u>58</u>	<u>25</u>	<u>1,998</u>	<u>70</u>
202	Operating expenses to recover	131,156		6,862	58	1,498	63,515	59,222
203	Target Return on Rate Base- After taxes	51,851		2,113	6,684	1,582	37,693	3,780
204	Income taxes to recover	25,531		1,041	3,291	779	18,560	1,861
205	Additional expenses	1,103	ONSITE	0	0	0	0	1,103
206	TOTAL REVENUE REQUIREMENT	<u>209,642</u>		<u>10,017</u>	<u>10,033</u>	<u>3,859</u>	<u>119,767</u>	<u>65,966</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 17 OF 85

		FUNCTIONALIZATION						
Account Description	Account Code	Account Balance	Allocation Factor	<u>PRODUCTION & GATHERING</u>	<u>STORAGE</u>	<u>TRANSMISSION</u>	<u>DISTRIBUTION</u>	<u>ONSITE</u>
<u>Working Capital Subreport</u>								
207	Accounts Receivable- Gas	0	None	0	0	0	0	0
208	Accounts Receivable- Other	0	None	0	0	0	0	0
209	Accrued Gas Revenues	0	None	0	0	0	0	0
210	Accounts Receivable, Total	0		0	0	0	0	0
211	Gas, LNG in Storage	0	None	0	0	0	0	0
212	Inventories & Other, Total	0		0	0	0	0	0
213	Accounts Payable, Natural Gas	3,330	PRODGATH	3,330	0	0	0	0
214	Accounts Payable, Other- Labor	2,867	LABOR	228	0	7	1,298	1,333
215	Accounts Payable, Other- O&MxGas	5,395	O&MxGas	308	0	31	2,239	2,818
216	Accounts Payable, Total	11,592		3,867	0	38	3,538	4,150
217	Accrued interest	(1,083)	PLANT	(37)	0	(42)	(938)	(66)
218	Other, net	828	PLANT	28	0	32	715	50
219	Defd Items & Other, Total	(257)		(9)	0	(10)	(223)	(16)
220	Total Working Capital	11,335		3,858	0	28	3,315	4,135

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 18 OF 85

		FUNCTIONALIZATION							
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	
LABOR REPORT									
		Labor \$	Labor %						
PRODUCTION AND GATHERING:									
221 Production and Gathering O&M	750-765	1,164	41%	1,164	0	0	0	0	
222 Purchased Gas Expense	807	0	0%	0	0	0	0	0	
223 Other Gas Supply Expense	813	0	0%	0	0	0	0	0	
224 Sub Production		1,164		1,164	0	0	0	0	
STORAGE:									
225 LNG Operating Exp Admin	840	0	0	0	0	0	0	0	
226 Operating Exp- Admin	850	0	0	0	0	0	0	0	
227 Sub Storage		0		0	0	0	0	0	
TRANSMISSION:									
228 Transmission expenses	856-863	0	0%	0	0	0	0	0	
229 Sub Transmission		0		0	0	0	0	0	
DISTRIBUTION:									
230 Operation Supv & Engineering	870	1,251	71%	0	0	0	1,169	82	
231 Load Dispatching	871	77	69%	77	0	0	0	0	
232 Compressor Station Fuel and Power	873	0	0%	0	0	0	0	0	
233 Mains and Services Expenses	874	1,527	30%	0	0	39	1,489	0	
234 Meas. & Reg. Station Expense General	875	40	40%	0	0	0	40	0	
235 Meas. & Reg. Station Expense Industrial	876	0	61%	0	0	0	0	0	
236 Meter & House Regulator Expenses	878	2,825	47%	0	0	0	0	2,825	
237 Customer Installation Expense	879	6	10%	0	0	0	0	6	
238 Other Expenses - Safety and Environmental	880	172	27%	22	0	1	103	47	
239 Other Expenses	880	177	27%	23	0	1	106	48	
240 Maint. Supervision & Engineering	885	605	68%	0	0	0	605	0	
241 Maintenance of Structures & Improvements	886	166	32%	0	0	0	166	0	
242 Maint. of Mains	887	2,262	41%	0	0	0	2,262	0	
243 Maint Of Meas. & Reg. Station Expense General	889	608	51%	0	0	0	608	0	
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	7	69%	0	0	0	7	0	
245 Maint. of Services	892	300	45%	0	0	0	0	300	
246 Maint. of Meters & House Regulators	893	46	43%	0	0	0	0	46	
247 Maintenance of Other Equipment	894	45	66%	0	0	0	45	0	
248 Sub Distribution		10,116	43%	122	0	40	6,599	3,355	
OnSite:									
249 Customer Service - Administrative	901	174	77%	0	0	0	0	174	
250 Meter Reading Expenses	902	144	25%	0	0	0	0	144	
251 Customer Records & Collection Expense	903	3,828	37%	0	0	0	0	3,828	
252 Operation Supervision	907	0	0%	0	0	0	0	0	
253 Customer Assist- Other	908	285	56%	0	0	0	285	0	
254 Supervision	911	0	78%	0	0	0	0	0	
255 Demonstration	912	420	64%	0	0	0	420	0	
256 Sub OnSite		4,850		0	0	0	705	4,145	
257 TOTAL:		16,130	16,130	1,285	0	40	7,304	7,500	

NOTE: The Labor % above are applied to the functionally classified account balances.

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.91(A)
 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
1. RATE BASE						
I. GAS PLANT IN SERVICE						
A. INTANGIBLE PLANT						
1 Organization	301	36	DISTBASE	22	0	14
2 Intangible Plant - Software- Labor	303Lab	1,514	DISTLABOR	1,072	0	441
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0
4 Intangible Plant - Software- Plant	303Plt	2,485	DISTPT	1,427	0	1,058
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	4,035		2,522	0	1,513
B. PRODUCTION & GATHERING PLANT						
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0
C. STORAGE PLANT						
9 Storage Plant	360-368	0	None	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0
D. TRANSMISSION PLANT						
11 Transmission plant	365-370	0	None	0	0	0
12 Transmission - Mains	367	0	None	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0
E. DISTRIBUTION PLANT						
16 Land and Land Rights	374	1,893	DISTOnlyPT	1,087	0	806
17 Land and Land Rights - Direct Assign.	374 DA	564	DEMAND	564	0	0
18 Structures and Improvements	375	2,111	DISTOnlyPT	1,212	0	899
19 Mains	376	457,729	MAINS	380,831	0	76,899
20 Mains - Direct Assign.	376 DA	10,267	DEMAND	10,267	0	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DEMAND	16,126	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DEMAND	1,469	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DEMAND	447	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0
25 Services	380	226,432	CUST	0	0	226,432
26 Meters	381	0	None	0	0	0
27 Meter Installations	382	0	None	0	0	0
28 House Regulators	383	0	None	0	0	0
29 House Regulator Installations	384	0	None	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	DEMAND	0	0	0
31 Property on Customers' Premises	386	0	DEMAND	0	0	0
32 Other Equipment	387	324	CUST	0	0	324
33 Subtotal - DISTRIBUTION PLANT	374-387	717,361		412,002	0	305,359

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5
 1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 20 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
F. GENERAL PLANT						
34 Land and Land Rights	389	68	DISTPT	39	0	29
35 Structures and Improvements	390	6,789	DISTPT	3,899	0	2,890
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0
37 Office Furniture and Equipment	391	10,583	DISTPT	6,078	0	4,505
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0
39 Transportation Equipment	392	8,907	DISTPT	5,116	0	3,792
40 Stores Equipment	393	41	DISTPT	23	0	17
41 Tools & Garage Equipment	394	3,698	DISTPT	2,124	0	1,574
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0
43 Laboratory Equipment	395	0	DISTPT	0	0	0
44 Power Operated Equipment	396	2,732	DISTPT	1,569	0	1,163
45 Communication Equipment	397	5,993	DISTPT	3,442	0	2,551
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0
47 Miscellaneous Equipment	398	28	DISTPT	16	0	12
48 Miscellaneous Equipment - Direct Assign.	398 DA	143	DISTPT	82	0	61
49 Subtotal - GENERAL PLANT	389-399	38,981		22,388	0	16,593
50 TOTAL UTILITY PLANT		760,378		436,912	0	323,466
II. DEPRECIATION RESERVE						
51 Intangible Plant	108	1,371	DISTPT_INT	857	0	514
52 Production & Gathering Plant	108.2	0	None	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0
57 Mains	109	130,432	MAINS	108,519	0	21,913
58 Services	109	83,524	CUST	0	0	83,524
59 Meters	109	0	None	0	0	0
60 Distr Other	109	6,916	DISTPT_xMSM	6,304	0	612
61 General Plant	109	16,793	DISTPT	9,645	0	7,148
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	239,035		125,324	0	113,711
III. OTHER RATE BASE ITEMS						
64 Materials and Supplies		768	DISTPT	441	0	327
65 Current Gas Storage		0	None	0	0	0
66 Prepayments		97	DISTO&MxGas	55	0	42
67 Deferred Income Taxes - Depreciation		(93,674)	DISTPT	(53,800)	0	(39,874)
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0
69 Deferred ITC		(4,490)	DISTPT	(2,579)	0	(1,911)
70 Customer Deposits		(3,370)	CUST	0	0	(3,370)
71 TOTAL OTHER RATE BASE ITEMS		(100,669)		(55,882)	0	(44,786)
72 TOTAL RATE BASE (Excl. Working Capital)		420,674		255,708	0	164,968
73 Working Capital	131	3,315		2,068	0	1,247
74 TOTAL RATE BASE		423,989		257,774	0	166,215

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 - 1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 21 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
2. EXPENSES						
I. OPERATION & MAINTENANCE EXPENSE						
A. PRODUCTION & GATHERING EXPENSES						
75 Operations Expense	750-756	0	None	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0
B. OTHER GAS SUPPLY EXPENSES						
78 Natural gas field line purchases	801	0	None	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0
C. NATURAL GAS STORAGE						
88 LNG Operating Exp Admin	840	0	None	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0
D. TRANSMISSION EXPENSES						
91 Transmission expenses	856-863					
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0
E. DISTRIBUTION EXPENSES						
93 Operation Supv & Engineering	870	1,656	DISTOnlyPT	951	0	705
94 Load Dispatching	871	0	None	0	0	0
95 Compressor Station Fuel and Power	873	(0)	None	0	0	0
96 Mains and Services Expenses	874	4,959	MAIN&SERVICE	2,793	0	2,166
97 Meas. & Reg. Station Expense General	875	100	DEMAND	100	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0
101 Other Expenses - Safety and Environmental	880	377	DISTO&MxAVC881	266	0	111
102 Other Expenses	880	387	DISTO&MxAVC881	274	0	114
103 Distribution Rents	881	562	DISTOnlyPT	323	0	239
104 Maint. Supervision & Engineering	885	885	DISTLABOR	627	0	258
105 Maintenance of Structures & Improvements	886	516	DISTOnlyPT	296	0	220
106 Maint. of Mains	887	5,521	MAINS	4,594	0	928
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	DEMAND	1,192	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	DEMAND	10	0	0
109 Maint. of Services	892	0	None	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0
111 Maintenance of Other Equipment	894	87	DISTOnlyPT	39	0	29
112 Subtotal - DISTRIBUTION EXPENSES	870-894	16,232		11,464	0	4,769
113 TOTAL OPERATION & MAINTENANCE EXPENSES		16,232		11,464	0	4,769

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.55 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 22 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
II. CUSTOMER ACCOUNTS EXPENSES						
114 Customer Service - Administrative	901	0	None	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES						
120 Operation Supervision	907	0	None	0	0	0
121 Customer Assist- Other	908	509	CUST	0	0	509
122 Other Customer Service & Informational Expense	910	698	CUST	0	0	698
123 Supervision	911	0	CUST	0	0	0
124 Demonstration	912	660	CUST	0	0	660
125 Adverstising expense	913	24	CUST	0	0	24
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891		0	0	1,891
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		1,891		0	0	1,891
IV. ADMINISTRATIVE & GENERAL EXPENSES						
A. Labor-Related:						
128 Administrative & General Salaries	920	2,690	DISTLABOR	1,908	0	784
129 Administrative & General Salaries - Direct Assign.	920 DA	249	DISTLABOR	176	0	73
130 Office Supplies & Expenses	921	370	DISTLABOR	262	0	108
131 Outside Services Employed - Resid.	923	81	DISTLABOR	58	0	24
132 Outside Services Employed - Labor	923L	1,647	DISTLABOR	1,167	0	480
133 Injuries & Damages	925Labor	153	DISTLABOR	109	0	45
134 Employee Pensions and Benefits	926	2,593	DISTLABOR	1,837	0	756
135 Rents	931	1,823	DISTLABOR	1,291	0	531
136 Subtotal - O&M Accounts 920-923, 925L, 926		9,606		6,806	0	2,800
B. Plant-Related:						
137 Property Insurance	924	280	DISTPT	167	0	124
138 Outside Services Employed-plant	923p	117	DISTPT	67	0	50
139 Injuries & Damages	925Plant	3,576	DISTPT	2,054	0	1,522
140 Misc. Maintenance Expense	932	1,061	DISTPT_GEN	609	0	452
141 Misc. Maintenance Expense - Direct Assign.	932 DA	43	DISTPT_GEN	25	0	18
142 Subtotal - O&M Accounts 924-925P		5,087		2,922	0	2,166
C. Other-Related:						
143 Administrative Expenses Transferred	922	(27)	DIST_PT_O&M	(17)	0	(10)
144 Outside Services Employed-cust	923c	5,083	CUST	0	0	5,083
145 Outside Services Employed-plant-O&M	923p-om	5,131	DIST_PT_O&M	3,285	0	1,846
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	146	DIST_PT_O&M	94	0	53
147 Regulatory Commission Expenses	928	378	DIST_PT_O&M	242	0	136
148 General Advertising Expense	930.1	147	DIST_PT_O&M	94	0	53
149 Miscellaneous General Expenses	930.2	114	DISTPT_GEN	66	0	49
150 Subtotal - O&M Accounts 928-935		10,972		3,763	0	7,209
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		25,666		13,491	0	12,175
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		43,789		24,955	0	18,835

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(A)
 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
V. DEPRECIATION EXPENSE						
153 Intangible Plant	180Int	408	DISTPT_INT	254	0	152
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0
158 Mains (Distribution)	180Mains	6,999	MAINS	5,823	0	1,176
159 Services	180Services	5,815	CUST	0	0	5,815
160 Meters	180Meters	0	None	0	0	0
161 Distr Other	180Dist	990	DISTPT_xMSM	903	0	88
162 General Plant	180Gen	3,518	DISTPT_GEN	2,020	0	1,497
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0
164 Adjustments		0	None	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	17,728		9,000	0	8,728
VI. TAXES						
A. General Taxes						
166 PA PUC Assessment		1,139	CUST	0	0	1,139
167 Local property taxes		58	DISTPT	33	0	25
168 Public utility reality tax		475	DISTPT	273	0	202
169 State capital stock tax		325	DISTBASE	198	0	127
170 Miscellaneous tax		0	DISTPT	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	1,998		504	0	1,494
B. Income Tax Expense						
172 State Income Tax expense		(526)	PreTax-DIST	(315)	0	(211)
173 Federal Income Tax expense		2,795	PreTax-DIST	1,674	0	1,121
174 Investment Tax Credit - Amortization		(3)	PreTax-DIST	(2)	0	(1)
175 Subtotal- Income tax expense		2,266		1,357	0	909
176 TOTAL TAX EXPENSE		4,263		1,861	0	2,402
177 TOTAL EXPENSES		65,781		35,816	0	29,965
3. REVENUES at Present Rates						
178 Sales and Transport Revenue	480-483	88,474	RevReq_PF-Dist	50,719	0	37,755
179 Forfeited Discounts		0	None	0	0	0
180 Miscellaneous Service Revenue		0	RevReq_PF-Dist	0	0	0
181 Other Operating Revenue		61	CUST	0	0	61
182 Subtotal- Gas Revenues, net		88,535		50,719	0	37,816
183 TOTAL REVENUE		88,535		50,719	0	37,816
184 TOTAL EXPENSES		65,781		35,816	0	29,965
185 NET INCOME at Present Rates		22,754		14,903	0	7,851

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 24 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
SUMMARY						
186 Total revenues		88,535		50,719	0	37,816
187 Total Operating Expenses		43,789		24,955	0	18,835
188 Depreciation Expense		17,728		9,000	0	8,728
189 Taxes other than Income		<u>1,998</u>		<u>504</u>	<u>0</u>	<u>1,494</u>
190 Total Other Expenses		19,725		9,504	0	10,221
191 Income tax expense		2,266		1,357	0	909
192 Total expenses		65,781		35,816	0	29,965
193 NET INCOME at Present Rates		<u>22,754</u>		<u>14,903</u>	<u>0</u>	<u>7,851</u>
194 Total Rate Base		<u>423,989</u>		<u>257,774</u>	<u>0</u>	<u>166,215</u>
195						
REVENUE REQUIREMENTS						
196 Target ROR		8.89%		8.89%	8.89%	8.89%
197 Using Target for System						
198 Rate Base		423,989		257,774	0	166,215
199 Operating expenses		43,789		24,955	0	18,835
200 Depreciation expense		17,728		9,000	0	8,728
201 Taxes other than Income		<u>1,998</u>		<u>504</u>	<u>0</u>	<u>1,494</u>
202 Operating expenses to recover		63,515		34,459	0	29,056
203 Target Return on Rate Base- After taxes		37,693		22,916	0	14,777
204 Income taxes to recover		18,560	49.2%	11,284	0	7,276
205 Additional expenses		0	0.0%	0	0	0
206 TOTAL REVENUE REQUIREMENT		<u>119,767</u>		<u>68,658</u>	<u>0</u>	<u>51,109</u>

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 25 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
<u>Working Capital Subreport</u>						
207 Accounts Receivable- Gas		0	DISTO&MxGas	0	0	0
208 Accounts Receivable- Other		0	DISTO&MxGas	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0
210 Accounts Receivable, Total		0		0	0	0
211 Gas, LNG in Storage		0	None	0	0	0
212 Inventories & Other, Total		0		0	0	0
213 Accounts Payable, Natural Gas		0	DISTO&MxGas	0	0	0
214 Accounts Payable, Other- Labor		1,298	DISTLABOR	920	0	378
215 Accounts Payable, Other- O&MxGas		2,239	DISTO&MxGas	1,276	0	963
216 Accounts Payable, Total		3,538		2,196	0	1,342
217 Accrued interest		(938)	DISTPT	(539)	0	(399)
218 Other, net		715	DISTPT	411	0	304
219 Defd Items & Other, Total		(223)		(128)	0	(95)
220 Total Working Capital		3,315		2,068	0	1,247

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	COMMODITY Dollars	Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	2	P&G_RATEBASE-E	0	0	0	2
2 Intangible Plant - Software- Labor	303Lab	266	PRDGTHTPT-E	0	0	0	266
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	268		0	0	0	268
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	AGS Direct	0	0	0	28,445
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445		0	0	0	28,445
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 27 OF 85

Account Description	PRODUCTION & GATH		Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
	Account Code	COMMODITY Dollars		Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	3	PRDGTHTPT-E	0	0	0	3
35 Structures and Improvements	390	269	PRDGTHTPT-E	0	0	0	269
36 Structures and Improvements - Direct Assign.	390 DA	42	AGS Direct	0	0	0	42
37 Office Furniture and Equipment	391	420	PRDGTHTPT-E	0	0	0	420
38 Office Furniture and Equipment - Direct Assign.	391 DA	1	AGS Direct	0	0	0	1
39 Transportation Equipment	392	353	PRDGTHTPT-E	0	0	0	353
40 Stores Equipment	393	2	PRDGTHTPT-E	0	0	0	2
41 Tools & Garage Equipment	394	147	PRDGTHTPT-E	0	0	0	147
42 Tools & Garage Equipment - Direct Assign.	394 DA	16	AGS Direct	0	0	0	16
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	108	PRDGTHTPT-E	0	0	0	108
45 Communication Equipment	397	238	PRDGTHTPT-E	0	0	0	238
46 Communication Equipment - Direct Assign.	397 DA	4	AGS Direct	0	0	0	4
47 Miscellaneous Equipment	398	1	PRDGTHTPT-E	0	0	0	1
48 Miscellaneous Equipment - Direct Assign.	398 DA	0	None	0	0	0	0
49 Subtotal - GENERAL PLANT	389-399	1,604		0	0	0	1,604
50 TOTAL UTILITY PLANT		30,317		0	0	0	30,317
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	91	PRDGTHTPT-E	0	0	0	91
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	AGS Direct	0	0	0	8,153
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	666	PRDGTHTPT-E	0	0	0	666
62 General Plant - Direct Assign.	108.8 DA	13	AGS Direct	0	0	0	13
63 TOTAL DEPRECIATION RESERVE	108	8,924		0	0	0	8,924
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		30	PRDGTHTPT-E	0	0	0	30
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		13	PRDGTHTO&MXGAS-C	1	0	1	11
67 Deferred Income Taxes - Depreciation		0	None	0	0	0	0
68 Deferred Income Taxes - Direct Assign.		(1,522)	AGS Direct	0	0	0	(1,522)
69 Deferred ITC		0	None	0	0	0	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(1,478)		1	0	1	(1,480)
72 TOTAL RATE BASE (Excl. Working Capital)		19,915		2	0	1	19,913
73 Working Capital	131	3,858		1,741	298	1,617	201
74 TOTAL RATE BASE		23,773		1,742	299	1,618	20,114

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	PRODUCTION & GATH	Allocation	PRODUCTION & GATHERING COMMODITY Class Allocation			
		COMMODITY Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	1,043	PRDGTHTPT-E	0	0	0	1,043
76 Maintenance Expense	761-765	<u>1,766</u>	PRDGTHTPT-E	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,766</u>
77 Subtotal - Production and Gathering	750-765	2,809		0	0	0	2,809
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	<u>391</u>	Account813	<u>279</u>	<u>44</u>	<u>68</u>	<u>0</u>
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391		279	44	68	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	112	Gas_Deliveries	53	9	50	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	81	PRDGTHTO&MxA/C880	8	1	3	68
102 Other Expenses	880	83	P&G_O&Mx880xAGS	55	9	19	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	<u>0</u>	None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
112 Subtotal - DISTRIBUTION EXPENSES	870-894	<u>276</u>		<u>116</u>	<u>19</u>	<u>72</u>	<u>68</u>
113 TOTAL OPERATION & MAINTENANCE EXPENSES		3,475		395	64	139	2,877

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 29 OF 85

Account Description	Account Code	COMMODITY Dollars	Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation				
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	0	None	0	0	0	0	
115 Meter Reading Expenses	902	0	None	0	0	0	0	
116 Customer Records & Collection Expense	903	0	None	0	0	0	0	
117 Uncollectible Accounts	904	0	None	0	0	0	0	
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSE								
120 Operation Supervision	907	0	None	0	0	0	0	
121 Customer Assist- Other	908	0	None	0	0	0	0	
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0	
123 Supervision	911	0	None	0	0	0	0	
124 Demonstration	912	0	None	0	0	0	0	
125 Advertising expense	913	0	None	0	0	0	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		0		0	0	0	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES E		0		0	0	0	0	
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	473	PRDGTHLABOR-E	20	3	15	435	
129 Administrative & General Salaries - Direct Assign.	920 DA	44	AGS Direct	0	0	0	44	
130 Office Supplies & Expenses	921	65	PRDGTHLABOR-E	3	0	2	60	
131 Outside Services Employed - Resid.	923	14	RS Direct	14	0	0	0	
132 Outside Services Employed - Labor	923L	290	PRDGTHLABOR-E	12	2	9	267	
133 Injuries & Damages	925Labor	27	PRDGTHLABOR-E	1	0	1	25	
134 Employee Pensions and Benefits	926	456	PRDGTHLABOR-E	19	3	14	420	
135 Rents	931	321	PRDGTHLABOR-E	13	2	10	295	
136 Subtotal - O&M Accounts 920-923, 925L, 926		1,691		83	12	51	1,545	
B. Plant-Related:								
137 Property Insurance	924	12	PRDGTHPT-E	0	0	0	12	
138 Outside Services Employed-plant	923p	5	PRDGTHPT-E	0	0	0	5	
139 Injuries & Damages	925Plant	142	PRDGTHPT-E	0	0	0	142	
140 Misc. Maintenance Expense	932	44	P&G_PT_GEN-E	0	0	0	44	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	2	AGS Direct	0	0	0	2	
142 Subtotal - O&M Accounts 924-925P		203		0	0	0	203	
C. Other-Related:								
143 Administrative Expenses Transferred	922	(3)	P&G_PT_O&M-E	(0)	(0)	(0)	(3)	
144 Outside Services Employed-cust	923c	0	None	0	0	0	0	
145 Outside Services Employed-plant-O&M	923p-om	568	P&G_PT_O&M-E	32	5	11	519	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	16	AGS Direct	0	0	0	16	
147 Regulatory Commission Expenses	928	42	P&G_PT_O&MxAGS-E	28	4	10	0	
148 General Advertising Expense	930.1	16	P&G_PT_O&MxAGS-E	11	2	4	0	
149 Miscellaneous General Expenses	930.2	13	P&G_PT_O&M-E	1	0	0	12	
150 Subtotal - O&M Accounts 928-935		652		71	11	25	545	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		2,546		154	23	76	2,293	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Ga		6,022		549	87	216	5,170	

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 30 OF 85

Account Description	PRODUCTION & GATH		Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
	Account Code	COMMODITY Dollars		Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	27	PRDGTHTPT-E	0	0	0	27
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	AGS Direct	0	0	0	631
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	0	None	0	0	0	0
162 General Plant	180Gen	145	P&G_PT_GEN-E	0	0	0	145
163 General Plant - Direct Assign.	180Gen DA	3	AGS Direct	0	0	0	3
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	806		0	0	0	806
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		0	None	0	0	0	0
168 Public utility reality tax		0	None	0	0	0	0
169 State capital stock tax		18	PRDGTHTPT-E	0	0	0	18
170 Miscellaneous tax		17	Gas_Deliveries	8	1	8	0
171 Subtotal- Taxes Other Than Income Taxes	408	35		8	1	8	18
B. Income Tax Expense							
172 State Income Tax expense		(50)	PreTax-PRDGTHT-E	(39)	(5)	(11)	4
173 Federal Income Tax expense		266	PreTax-PRDGTHT-E	205	28	57	(23)
174 Investment Tax Credit - Amortization		(0)	PreTax-PRDGTHT-E	(0)	(0)	(0)	0
175 Subtotal- Income tax expense		216		166	23	46	(19)
176 TOTAL TAX EXPENSE		251		174	24	54	(1)
177 TOTAL EXPENSES		7,078		723	111	269	5,975
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	7,399	Delivery_Rev	5,047	693	1,405	254
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		7,399		5,047	693	1,405	254
183 TOTAL REVENUE		7,399		5,047	693	1,405	254
184 TOTAL EXPENSES		7,078		723	111	289	5,975
185 NET INCOME at Present Rates		321		4,324	582	1,135	(5,721)

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 31 OF 85

Account Description	PRODUCTION & GATH		Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
	Account Code	COMMODITY Dollars		Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186 Total revenues		7,399		5,047	693	1,405	254
187 Total Operating Expenses		6,022		549	87	216	5,170
188 Depreciation Expense		806		0	0	0	806
189 Taxes other than Income		35		8	1	8	18
190 Total Other Expenses		841		8	1	8	824
191 Income tax expense		216		166	23	46	(19)
192 Total expenses		7,078		723	111	269	5,975
193 NET INCOME at Present Rates		321		4,324	582	1,135	(5,721)
194 Total Rate Base		23,773		1,742	299	1,618	20,114
195 Return at Present Rates							
REVENUE REQUIREMENTS							
196 Target ROR		8.89%		8.89%	8.89%	8.89%	8.89%
197 Using Target for System							
198 Rate Base		23,773		1,742	299	1,618	20,114
199 Operating expenses		6,022		549	87	216	5,170
200 Depreciation expense		806		0	0	0	806
201 Taxes other than Income		35		8	1	8	18
202 Operating expenses to recover		6,862		557	88	223	5,994
203 Target Return on Rate Base- After taxes		2,113		155	27	144	1,788
204 Income taxes to recover		1,041	49.2%	76	13	71	880
205 Additional expenses		0	0.0%	0	0	0	0
206 TOTAL REVENUE REQUIREMENT		10,017		788	128	438	8,662

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 32 OF 85

		PRODUCTION & GATH		Allocation	PRODUCTION & GATHERING COMMODITY Class Allocation			
Account	Account	COMMODITY	Allocation		Residential	General Service -	General Service -	Appalachian
<u>Description</u>	<u>Code</u>	<u>Dollars</u>	<u>Factor</u>		Service (RS)	Small (GSS)	Large (GSL)	Gathering Service (AGS)
<u>Working Capital Subreport</u>								
207	Accounts Receivable- Gas	0	None		0	0	0	0
208	Accounts Receivable- Other	0	None		0	0	0	0
209	Accrued Gas Revenues	0	None		0	0	0	0
210	Accounts Receivable, Total	0			0	0	0	0
211	Gas, LNG in Storage	0	None		0	0	0	0
212	Inventories & Other, Total	0			0	0	0	0
213	Accounts Payable, Natural Gas	3,330	Gas_Deliveries		1,585	272	1,474	0
214	Accounts Payable, Other- Labor	228	PRDGTHLABOR-E		10	2	7	210
215	Accounts Payable, Other- O&MxGas	308	Gas_Deliveries		147	25	136	0
216	Accounts Payable, Total	3,867			1,741	298	1,617	210
217	Accrued interest	(37)	PRDGTHTPT-E		0	0	0	(37)
218	Other, net	28	PRDGTHTPT-E		0	0	0	28
219	Defd Items & Other, Total	(9)			0	0	0	(9)
220	Total Working Capital	3,858			1,741	298	1,617	201

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ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 33 OF 85

PRODUCTION & GATH			PRODUCTION & GATHERING COMMODITY Class Allocation				
Account Description	Account Code	COMMODITY Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	1,164		0	0	0	1,164
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		1,164		0	0	0	1,164
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	0		0	0	0	0
231 Load Dispatching	871	77		37	6	34	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	0		0	0	0	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	22		2	0	1	19
239 Other Expenses	880	23		15	2	5	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		122		54	9	40	19
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		0		0	0	0	0
257 TOTAL:		1,285		54	9	40	1,182

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 34 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE				3	4	5	6
I. GAS PLANT IN SERVICE				3	4	5	6
A. INTANGIBLE PLANT							
1 Organization	301	6	STOR_RATEBASE-D	5	1	0	0
2 Intangible Plant - Software- Labor	303Lab	0	None	0	0	0	0
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	6		5	1	0	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0

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 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	STORAGE	Allocation Factor	STORAGE DEMAND Class Allocation			
		DEMAND Dollars		Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	0	None	0	0	0	0
35 Structures and Improvements	390	0	None	0	0	0	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	0	None	0	0	0	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	0	None	0	0	0	0
40 Stores Equipment	393	0	None	0	0	0	0
41 Tools & Garage Equipment	394	0	None	0	0	0	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	0	None	0	0	0	0
45 Communication Equipment	397	0	None	0	0	0	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	0	None	0	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	0	None	0	0	0	0
49 Subtotal - GENERAL PLANT	389-399	0		0	0	0	0
50 TOTAL UTILITY PLANT		6		5	1	0	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	2	STOR_RATEBASE-D	2	0	0	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	0	None	0	0	0	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	2		2	0	0	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		0	None	0	0	0	0
65 Current Gas Storage		75,176	Storage	64,111	7,384	3,681	0
66 Prepayments		0	None	0	0	0	0
67 Deferred Income Taxes - Depreciation		0	None	0	0	0	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		0	None	0	0	0	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		75,176		64,111	7,384	3,681	0
72 TOTAL RATE BASE (Excl. Working Capital)		75,180		64,114	7,384	3,681	0
73 Working Capital	131	0		0	0	0	0
74 TOTAL RATE BASE		75,180		64,114	7,384	3,681	0

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	0	None	0	0	0	0
102 Other Expenses	880	0	None	0	0	0	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	0		0	0	0	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		0		0	0	0	0

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 PRESENT RATES - DESIGN DAY METHOD
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				STORAGE DEMAND Class Allocation				
Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	0	None	0	0	0	0	
115 Meter Reading Expenses	902	0	None	0	0	0	0	
116 Customer Records & Collection Expense	903	0	None	0	0	0	0	
117 Uncollectible Accounts	904	0	None	0	0	0	0	
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES								
120 Operation Supervision	907	0	None	0	0	0	0	
121 Customer Assist- Other	908	0	None	0	0	0	0	
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0	
123 Supervision	911	0	None	0	0	0	0	
124 Demonstration	912	0	None	0	0	0	0	
125 Advertising expense	913	0	None	0	0	0	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXPENSES		0		0	0	0	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES		0		0	0	0	0	
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	0	None	0	0	0	0	
129 Administrative & General Salaries - Direct Assign.	920 DA	0	None	0	0	0	0	
130 Office Supplies & Expenses	921	0	None	0	0	0	0	
131 Outside Services Employed - Resid.	923	0	None	0	0	0	0	
132 Outside Services Employed - Labor	923L	0	None	0	0	0	0	
133 Injuries & Damages	925Labor	0	None	0	0	0	0	
134 Employee Pensions and Benefits	926	0	None	0	0	0	0	
135 Rents	931	0	None	0	0	0	0	
136 Subtotal - O&M Accounts 920-923, 925L, 926		0		0	0	0	0	
B. Plant-Related:								
137 Property Insurance	924	0	None	0	0	0	0	
138 Outside Services Employed-plant	923p	0	None	0	0	0	0	
139 Injuries & Damages	925Plant	0	None	0	0	0	0	
140 Misc. Maintenance Expense	932	0	None	0	0	0	0	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	0	None	0	0	0	0	
142 Subtotal - O&M Accounts 924-925P		0		0	0	0	0	
C. Other-Related:								
143 Administrative Expenses Transferred	922	0	None	0	0	0	0	
144 Outside Services Employed-cust	923c	0	None	0	0	0	0	
145 Outside Services Employed-plant-O&M	923p-om	0	None	0	0	0	0	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	0	None	0	0	0	0	
147 Regulatory Commission Expenses	928	0	None	0	0	0	0	
148 General Advertising Expense	930.1	0	None	0	0	0	0	
149 Miscellaneous General Expenses	930.2	0	None	0	0	0	0	
150 Subtotal - O&M Accounts 928-935		0		0	0	0	0	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		0		0	0	0	0	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and G		0		0	0	0	0	

EQUITABLE COMPANY
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Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	1	STOR_RATEBASE-D	1	0	0	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	0	None	0	0	0	0
162 General Plant	180Gen	0	None	0	0	0	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	1		1	0	0	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		0	None	0	0	0	0
168 Public utility reality tax		0	None	0	0	0	0
169 State capital stock tax		58	Storage	49	6	3	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	58		49	6	3	0
B. Income Tax Expense							
172 State Income Tax expense		(56)	PreTax-Stor-D	(38)	(5)	(11)	(2)
173 Federal Income Tax expense		299	PreTax-Stor-D	203	28	57	10
174 Investment Tax Credit - Amortization		(0)	PreTax-Stor-D	(0)	(0)	(0)	(0)
175 Subtotal- Income tax expense		242		165	23	46	8
176 TOTAL TAX EXPENSE		300		214	28	49	8
177 TOTAL EXPENSES		300		215	28	49	8
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	7,411	Delivery_Rev	5,055	694	1,407	255
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		7,411		5,055	694	1,407	255
183 TOTAL REVENUE		7,411		5,055	694	1,407	255
184 TOTAL EXPENSES		300		215	28	49	8
185 NET INCOME at Present Rates		7,111		4,841	666	1,358	247

EQUITABLE COMPANY
DOCKET NO. 008-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 39 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	7,411		5,055	694	1,407	255
187	Total Operating Expenses	0		0	0	0	0
188	Depreciation Expense	1		1	0	0	0
189	Taxes other than Income	58		49	6	3	0
190	Total Other Expenses	58		50	6	3	0
191	Income tax expense	242		165	23	46	8
192	Total expenses	300		215	28	49	8
193	NET INCOME at Present Rates	7,111		4,841	666	1,358	247
194	Total Rate Base	75,180		64,114	7,384	3,681	0
195							
REVENUE REQUIREMENTS							
196	Target RQR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	75,180		64,114	7,384	3,681	0
199	Operating expenses	0		0	0	0	0
200	Depreciation expense	1		1	0	0	0
201	Taxes other than Income	58		49	6	3	0
202	Operating expenses to recover	58		50	6	3	0
203	Target Return on Rate Base- After taxes	6,684		5,700	656	327	0
204	Income taxes to recover	3,291	49.2%	2,807	323	161	0
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	10,033		8,556	985	491	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 40 OF 85

Account <u>Description</u>	Account <u>Code</u>	STORAGE <u>DEMAND</u> <u>Dollars</u>	Allocation <u>Factor</u>	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		0	None	0	0	0	0
215 Accounts Payable, Other- O&MxGas		0	None	0	0	0	0
216 Accounts Payable, Total		0		0	0	0	0
217 Accrued interest		0	None	0	0	0	0
218 Other, net		0	None	0	0	0	0
219 Defd Items & Other, Total		0		0	0	0	0
220 Total Working Capital		0		0	0	0	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 41 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	0		0	0	0	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	0		0	0	0	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	0		0	0	0	0
239 Other Expenses	880	0		0	0	0	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		0		0	0	0	0
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		0		0	0	0	0
257 TOTAL:		0		0	0	0	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 42 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE				3	4	5	6
I. GAS PLANT IN SERVICE				3	4	5	6
A. INTANGIBLE PLANT							
1 Organization	301	2	TRAN_RATEBASE-D	(0)	(0)	(0)	2
2 Intangible Plant - Software- Labor	303Lab	8	TRANSLABOR-D	0	0	0	8
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	10		0	0	0	9
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0	None	0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	106	Peak	66	8	33	0
12 Transmission - Mains	367	1,243	Peak	767	95	381	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	AGS Direct	0	0	0	14,171
14 Transmission - Mains - Direct Assign.	367 DA	16,830	AGS Direct	0	0	0	16,830
15 Subtotal - TRANSMISSION PLANT	365-370	32,350		832	103	413	31,001
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 43 OF 85

				TRANSMISSION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	3	Peak	2	0	1	0
35 Structures and Improvements	390	306	Peak	189	23	94	0
36 Structures and Improvements - Direct Assign.	390 DA	25	AGS Direct	0	0	0	25
37 Office Furniture and Equipment	391	477	Peak	294	36	146	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	1	AGS Direct	0	0	0	1
39 Transportation Equipment	392	402	Peak	248	31	123	0
40 Stores Equipment	393	2	Peak	1	0	1	0
41 Tools & Garage Equipment	394	167	Peak	103	13	51	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	10	AGS Direct	0	0	0	10
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	123	Peak	76	9	38	0
45 Communication Equipment	397	270	Peak	167	21	83	0
46 Communication Equipment - Direct Assign.	397 DA	2	AGS Direct	0	0	0	2
47 Miscellaneous Equipment	398	1	Peak	1	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	3	GSL Direct	0	0	3	0
49 Subtotal - GENERAL PLANT	389-399	1,792		1,081	134	540	38
50 TOTAL UTILITY PLANT		34,152		1,913	237	954	31,048
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	3	TRAN_RATEBASE-D	(0)	(0)	(0)	3
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	658	Peak	406	50	202	0
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	AGS Direct	0	0	0	11,969
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	757	Peak	467	58	232	0
62 General Plant - Direct Assign.	108.8 DA	8	AGS Direct	0	0	0	8
63 TOTAL DEPRECIATION RESERVE	108	13,396		873	108	434	11,981
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		35	Peak	21	3	11	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		1	Peak	1	0	0	0
67 Deferred Income Taxes - Depreciation		(2,027)	TRAN_PTxA GS-D	(1,250)	(155)	(621)	0
68 Deferred Income Taxes - Direct Assign.		(901)	AGS Direct	0	0	0	(901)
69 Deferred ITC		(97)	TRAN_PTxA GS-D	(60)	(7)	(30)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(2,988)		(1,288)	(160)	(640)	(901)
72 TOTAL RATE BASE (Excl. Working Capital)		17,768		(248)	(31)	(120)	18,167
73 Working Capital	131	28		17	2	8	0
74 TOTAL RATE BASE		17,795		(231)	(29)	(112)	18,167

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 44 OF 85

TRANSMISSION				TRANSMISSION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	129	TRANS_MAINS-D	5	1	3	120
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	3	TRANO&MxAVC880-D	0	0	0	3
102 Other Expenses	880	3	TRANO&Mx880xAGS-D	2	0	1	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	135		8	1	4	123
113 TOTAL OPERATION & MAINTENANCE EXPENSES		135		8	1	4	123

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 45 OF 85

				TRANSMISSION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	0	None	0	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	0	None	0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0
123 Supervision	911	0	None	0	0	0	0
124 Demonstration	912	0	None	0	0	0	0
125 Advertising expense	913	0	None	0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXPENSES		0		0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES		0		0	0	0	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	15	TRANSLABOR-D	1	0	0	14
129 Administrative & General Salaries - Direct Assign.	920 DA	1	AGS Direct	0	0	0	1
130 Office Supplies & Expenses	921	2	TRANSLABOR-D	0	0	0	2
131 Outside Services Employed - Resid.	923	0	RS Direct	0	0	0	0
132 Outside Services Employed - Labor	923L	9	TRANSLABOR-D	1	0	0	8
133 Injuries & Damages	925Labor	1	TRANSLABOR-D	0	0	0	1
134 Employee Pensions and Benefits	926	14	TRANSLABOR-D	1	0	0	13
135 Rents	931	10	TRANSLABOR-D	1	0	0	9
136 Subtotal - O&M Accounts 920-923, 925L, 926		53		3	0	1	48
B. Plant-Related:							
137 Property Insurance	924	13	Peak	8	1	4	0
138 Outside Services Employed-plant	923p	5	Peak	3	0	2	0
139 Injuries & Damages	925Plant	161	Peak	99	12	49	0
140 Misc. Maintenance Expense	932	49	TRAN_PT_GEN-D	29	4	15	1
141 Misc. Maintenance Expense - Direct Assign.	932 DA	2	AGS Direct	0	0	0	2
142 Subtotal - O&M Accounts 924-925P		230		140	17	70	3
C. Other-Related:							
143 Administrative Expenses Transferred	922	(1)	TRAN_PT-D	(0)	(0)	(0)	(1)
144 Outside Services Employed-cust	923c	0	None	0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	155	TRAN_PT-D	4	0	2	148
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	4	AGS Direct	0	0	0	4
147 Regulatory Commission Expenses	928	11	TRAN_PTxAGS-D	7	1	3	0
148 General Advertising Expense	930.1	4	TRAN_PTxAGS-D	3	0	1	0
149 Miscellaneous General Expenses	930.2	3	TRAN_PT-D	0	0	0	3
150 Subtotal - O&M Accounts 928-935		177		14	2	7	155
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		461		157	19	78	206
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and G&A)		596		165	20	82	329

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 46 OF 85

Account		Account	TRANSMISSION	Allocation	TRANSMISSION DEMAND Class Allocation			
Description	Code	Dollars	Factor		Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE								
153	Intangible Plant	180Int	1	TRAN_RATEBASE-D	(0)	(0)	(0)	1
154	Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155	Local Storage Plant	180Stor	0	None	0	0	0	0
156	Transmission Plant	180Trans	9	Peak	5	1	3	0
157	Transmission Plant - Direct Assign.	180Trans DA	704	AGS Direct	0	0	0	704
158	Mains (Distribution)	180Mains	0	None	0	0	0	0
159	Services	180Services	0	None	0	0	0	0
160	Meters	180Meters	0	None	0	0	0	0
161	Distr Other	180Dist	0	None	0	0	0	0
162	General Plant	180Gen	162	TRAN_PT_GEN-D	98	12	49	3
163	General Plant - Direct Assign.	180Gen DA	2	AGS Direct	0	0	0	2
164	Adjustments		0	None	0	0	0	0
165	TOTAL DEPRECIATION EXPENSE	403	876		103	13	51	710
VI. TAXES								
166	PA PUC Assessment		0	None	0	0	0	0
167	Local property taxes		1	Peak	1	0	0	0
168	Public utility reality tax		10	Peak	6	1	3	0
169	State capital stock tax		14	Peak	8	1	4	0
170	Miscellaneous tax		0	None	0	0	0	0
171	Subtotal- Taxes Other Than Income Taxes	408	25		16	2	8	0
B. Income Tax Expense								
172	State Income Tax expense		(15)	PreTax-Tran-D	(14)	(2)	(4)	5
173	Federal Income Tax expense		79	PreTax-Tran-D	74	10	20	(25)
174	Investment Tax Credit - Amortization		(0)	PreTax-Tran-D	(0)	(0)	(0)	0
175	Subtotal- Income tax expense		64		60	8	16	(20)
176	TOTAL TAX EXPENSE		89		76	10	24	(20)
177	TOTAL EXPENSES		1,562		343	43	157	1,019
3. REVENUES at Present Rates								
178	Sales and Transport Revenue	480-483	2,851	Delivery_Rev	1,944	267	541	98
179	Forfeited Discounts		0	None	0	0	0	0
180	Miscellaneous Service Revenue		0	None	0	0	0	0
181	Other Operating Revenue		0	None	0	0	0	0
182	Subtotal- Gas Revenues, net		2,851		1,944	267	541	98
183	TOTAL REVENUE		2,851		1,944	267	541	98
184	TOTAL EXPENSES		1,562		343	43	157	1,019
185	NET INCOME at Present Rates		1,288		1,601	224	384	(921)

EQUITABLE COMPANY
DOCKET NO. 08-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 47 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	2,851		1,944	267	541	98
187	Total Operating Expenses	596		165	20	82	329
188	Depreciation Expense	876		103	13	51	710
189	Taxes other than Income	25		16	2	8	0
190	Total Other Expenses	902		118	15	59	710
191	Income tax expense	64		60	8	16	(20)
192	Total expenses	1,562		343	43	157	1,019
193	NET INCOME at Present Rates	1,288		1,601	224	384	(921)
194	Total Rate Base	17,795		(231)	(29)	(112)	18,167
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	17,795		(231)	(29)	(112)	18,167
199	Operating expenses	596		165	20	82	329
200	Depreciation expense	876		103	13	51	710
201	Taxes other than Income	25		16	2	8	0
202	Operating expenses to recover	1,498		283	35	141	1,039
203	Target Return on Rate Base- After taxes	1,582		(21)	(3)	(10)	1,615
204	Income taxes to recover	779	49.2%	(10)	(1)	(5)	795
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	3,859		253	31	126	3,449

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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PRESENT RATES - DESIGN DAY METHOD
SHEET 48 OF 85

Account Description	Account Code	TRANSMISSION		TRANSMISSION DEMAND Class Allocation			
		DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
Working Capital Subreport							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		7	Peak	4	1	2	0
215 Accounts Payable, Other- O&MxGas		31	Peak	19	2	9	0
216 Accounts Payable, Total		38		23	3	12	0
217 Accrued interest		(42)	Peak	(26)	(3)	(13)	0
218 Other, net		32	Peak	20	2	10	0
219 Defd Items & Other, Total		(10)		(6)	(1)	(3)	0
220 Total Working Capital		28		17	2	8	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 49 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	0		0	0	0	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	39		2	0	1	36
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	1		0	0	0	1
239 Other Expenses	880	1		1	0	0	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		40		2	0	1	37
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		0		0	0	0	0
257 TOTAL:		40		2	0	1	37

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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PRESENT RATES - DESIGN DAY METHOD
SHEET 50 OF 85

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE				3	4	5	6
I. GAS PLANT IN SERVICE				3	4	5	6
A. INTANGIBLE PLANT							
1 Organization	301	22	DIST_RATEBASE-D	13	2	7	0
2 Intangible Plant - Software- Labor	303Lab	1,072	DISTLABOR-D	647	80	346	0
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	1,427	DISTOnlyPT-D	856	106	466	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	2,522		1,515	188	819	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	1,087	Peak	671	83	333	0
17 Land and Land Rights - Direct Assign.	374 DA	564	GSL Direct	0	0	564	0
18 Structures and Improvements	375	1,212	Peak	748	93	371	0
19 Mains	376	380,831	Peak	234,991	29,110	116,730	0
20 Mains - Direct Assign.	376 DA	10,267	GSL Direct	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	Peak	9,950	1,233	4,943	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	GSL Direct	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	Peak	276	34	137	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	412,002		246,635	30,553	134,815	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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PRESENT RATES - DESIGN DAY METHOD
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Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	39	DISTPT-D	23	3	13	0
35 Structures and Improvements	390	3,899	DISTPT-D	2,334	289	1,276	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	6,078	DISTPT-D	3,639	451	1,989	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	5,116	DISTPT-D	3,062	379	1,674	0
40 Stores Equipment	393	23	DISTPT-D	14	2	8	0
41 Tools & Garage Equipment	394	2,124	DISTPT-D	1,271	157	695	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	1,569	DISTPT-D	939	116	513	0
45 Communication Equipment	397	3,442	DISTPT-D	2,061	255	1,126	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	16	DISTPT-D	10	1	5	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	82	GSL Direct	0	0	82	0
49 Subtotal - GENERAL PLANT	389-399	22,388		13,353	1,654	7,381	0
50 TOTAL UTILITY PLANT		436,912		261,504	32,395	143,014	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	857	DISTPT-D_INT	515	64	278	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	108,519	DISTMAIN-D	65,204	8,077	35,238	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	6,304	DISTPT-DxMSM	3,512	435	2,358	0
61 General Plant	109	9,645	DISTPT-D	5,773	715	3,156	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	125,324		75,003	9,291	41,030	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		441	DISTPT-D	264	33	144	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		55	DISTO&MXGAS-D	33	4	17	1
67 Deferred Income Taxes - Depreciation		(53,800)	DISTPT-D	(32,206)	(3,990)	(17,604)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(2,579)	DISTPT-D	(1,544)	(191)	(844)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(55,882)		(33,452)	(4,144)	(18,286)	1
72 TOTAL RATE BASE (Excl. Working Capital)		255,706		153,048	18,959	83,698	1
73 Working Capital	131	2,068		1,245	154	656	13
74 TOTAL RATE BASE		257,774		154,293	19,113	84,354	13

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 52 OF 85

DISTRIBUTION				DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	951	DISTOnlyPT-D	570	71	310	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	2,793	DISTMAIN-SERV-D	1,678	208	907	0
97 Meas. & Reg. Station Expense General	875	100	Peak	62	8	31	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	266	DISTO&MxAVC880-D	160	20	86	0
102 Other Expenses	880	274	DISTO&Mx880xAGS-D	165	20	88	0
103 Distribution Rents	881	323	DISTOnlyPT-D	193	24	105	0
104 Maint. Supervision & Engineering	885	627	DISTLABOR-D	378	47	202	0
105 Maintenance of Structures & Improvements	886	296	DISTOnlyPT-D	178	22	97	0
106 Maint. of Mains	887	4,594	DISTMAIN-D	2,760	342	1,492	0
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	Peak	735	91	365	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	Peak	6	1	3	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	39	DISTPT-D	23	3	13	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	11,464		6,909	856	3,699	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		11,464		6,909	856	3,699	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

BIT IV
ITEM: \$ 53 1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 53 OF 85

DISTRIBUTION				DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	0	None	0	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPEN							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	0	None	0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0
123 Supervision	911	0	None	0	0	0	0
124 Demonstration	912	0	None	0	0	0	0
125 Adverstising expense	913	0	None	0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EX		0		0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES		0		0	0	0	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	1,906	DISTLABOR-D	1,149	142	614	0
129 Administrative & General Salaries - Direct Assign.	920 DA	176	AGS Direct	0	0	0	176
130 Office Supplies & Expenses	921	262	DISTLABOR-D	158	20	84	0
131 Outside Services Employed - Resid.	923	58	RS Direct	58	0	0	0
132 Outside Services Employed - Labor	923L	1,167	DISTLABOR-D	704	87	376	0
133 Injuries & Damages	925Labor	109	DISTLABOR-D	65	8	35	0
134 Employee Pensions and Benefits	926	1,837	DISTLABOR-D	1,108	137	592	0
135 Rents	931	1,291	DISTLABOR-D	779	96	416	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		6,806		4,021	491	2,117	176
B. Plant-Related:							
137 Property Insurance	924	167	DISTPT-D	100	12	55	0
138 Outside Services Employed-plant	923p	67	DISTPT-D	40	5	22	0
139 Injuries & Damages	925Plant	2,054	DISTPT-D	1,229	152	672	0
140 Misc. Maintenance Expense	932	609	DISTPT_GEN-D	363	45	201	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	25	AGS Direct	0	0	0	25
142 Subtotal - O&M Accounts 924-925P		2,922		1,733	215	949	25
C. Other-Related:							
143 Administrative Expenses Transferred	922	(17)	DIST_PT_O&M-D	(10)	(1)	(6)	(0)
144 Outside Services Employed-cust	923c	0	None	0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	3,285	DIST_PT_O&M-D	1,973	244	1,068	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	94	AGS Direct	0	0	0	94
147 Regulatory Commission Expenses	928	242	DIST_PT_O&MxAGS-D	145	18	79	0
148 General Advertising Expense	930.1	94	DIST_PT_O&MxAGS-D	57	7	31	0
149 Miscellaneous General Expenses	930.2	66	DIST_PT_O&M-D	39	5	21	0
150 Subtotal - O&M Accounts 928-935		3,763		2,204	273	1,192	94
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		13,491		7,958	979	4,259	295
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and I		24,955		14,867	1,835	7,958	295

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - DESIGN DAY METHOD
 SHEET 54 OF 85

Account Description	Account Code	DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service {AGS}
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	254	DISTPT-D_INT	152	19	82	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	5,823	DISTMAIN-D	3,499	433	1,891	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	903	DISTPT-DxMSM	503	62	338	0
162 General Plant	180Gen	2,020	DISTPT_GEN-D	1,205	149	666	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	9,000		5,359	664	2,977	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		33	TOTALPLANTxAGS	25	2	7	0
168 Public utility reality tax		273	TOTALPLANTxAGS	203	15	55	0
169 State capital stock tax		198	DISTPT-D	118	15	65	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	504		346	31	126	0
B. Income Tax Expense							
172 State Income Tax expense		(315)	PreTax-Dist-D	(221)	(31)	(50)	(13)
173 Federal Income Tax expense		1,674	PreTax-Dist-D	1,173	165	265	71
174 Investment Tax Credit - Amortization		(2)	PreTax-Dist-D	(1)	(0)	(0)	(0)
175 Subtotal- Income tax expense		1,357		951	134	215	57
176 TOTAL TAX EXPENSE		1,861		1,298	165	341	57
177 TOTAL EXPENSES		35,816		21,524	2,664	11,276	352
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	50,719	Delivery_Rev	34,595	4,752	9,627	1,744
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		50,719		34,595	4,752	9,627	1,744
183 TOTAL REVENUE		50,719		34,595	4,752	9,627	1,744
184 TOTAL EXPENSES		35,816		21,524	2,664	11,276	352
185 NET INCOME at Present Rates		14,903		13,071	2,089	(1,649)	1,392

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53,100,000 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 55 OF 85

		DISTRIBUTION		DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	50,719		34,595	4,752	9,627	1,744
187	Total Operating Expenses	24,955		14,867	1,835	7,958	295
188	Depreciation Expense	9,000		5,359	664	2,977	0
189	Taxes other than Income	504		346	31	126	0
190	Total Other Expenses	9,504		5,705	695	3,103	0
191	Income tax expense	1,357		951	134	215	57
192	Total expenses	35,816		21,524	2,664	11,276	352
193	NET INCOME at Present Rates	14,903		13,071	2,089	(1,649)	1,392
194	Total Rate Base	257,774		154,293	19,113	84,354	13
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	257,774		154,293	19,113	84,354	13
199	Operating expenses	24,955		14,867	1,835	7,958	295
200	Depreciation expense	9,000		5,359	664	2,977	0
201	Taxes other than Income	504		346	31	126	0
202	Operating expenses to recover	34,459		20,573	2,530	11,061	295
203	Target Return on Rate Base- After taxes	22,916		13,717	1,699	7,499	1
204	Income taxes to recover	11,284	49.2%	6,754	837	3,693	1
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	68,658		41,043	5,066	22,253	297

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 56 OF 85

		DISTRIBUTION		DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207	Accounts Receivable- Gas	0	None	0	0	0	0
208	Accounts Receivable- Other	0	None	0	0	0	0
209	Accrued Gas Revenues	0	None	0	0	0	0
210	Accounts Receivable, Total	0		0	0	0	0
211	Gas, LNG in Storage	0	None	0	0	0	0
212	Inventories & Other, Total	0		0	0	0	0
213	Accounts Payable, Natural Gas	0	None	0	0	0	0
214	Accounts Payable, Other- Labor	920	DISTLABOR-D	555	69	296	0
215	Accounts Payable, Other- O&MxGas	1,276	DISTO&MXGAS-D	767	95	402	13
216	Accounts Payable, Total	2,196		1,322	164	698	13
217	Accrued interest	(539)	DISTPT-D	(322)	(40)	(176)	0
218	Other, net	411	DISTPT-D	246	30	134	0
219	Defd Items & Other, Total	(128)		(77)	(9)	(42)	0
220	Total Working Capital	2,068		1,245	154	656	13

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 57 OF 85

		DISTRIBUTION		DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221	Production and Gathering O&M	750-765	0	0	0	0	0
222	Purchased Gas Expense	807	0	0	0	0	0
223	Other Gas Supply Expense	813	0	0	0	0	0
224	Sub Production		0	0	0	0	0
STORAGE:							
225	LNG Operating Exp Admin	840					
226	Operating Exp- Admin	850					
227	Sub Storage		0	0	0	0	0
TRANSMISSION:							
228	Transmission expenses	856-863					
229	Sub Transmission		0	0	0	0	0
DISTRIBUTION:							
230	Operation Supv & Engineering	870	671	402	50	219	0
231	Load Dispatching	871	0	0	0	0	0
232	Compressor Station Fuel and Power	873	0	0	0	0	0
233	Mains and Services Expenses	874	838	504	62	272	0
234	Meas. & Reg. Station Expense General	875	40	25	3	12	0
235	Meas. & Reg. Station Expense Industrial	876	0	0	0	0	0
236	Meter & House Regulator Expenses	878	0	0	0	0	0
237	Customer Installation Expense	879	0	0	0	0	0
238	Other Expenses - Safety and Environmental	880	73	44	5	23	0
239	Other Expenses	880	75	45	6	24	0
240	Maint. Supervision & Engineering	885	429	258	32	138	0
241	Maintenance of Structures & Improvements	886	95	57	7	31	0
242	Maint. of Mains	887	1,882	1,131	140	611	0
243	Maint Of Meas. & Reg. Station Expense General	889	608	375	46	186	0
244	Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	7	4	1	2	0
245	Maint. of Services	892	0	0	0	0	0
246	Maint. of Meters & House Regulators	893	0	0	0	0	0
247	Maintenance of Other Equipment	894	26	15	2	8	0
248	Sub Distribution		4,744	2,861	354	1,528	0
OnSite:							
249	Customer Service - Administrative	901	0	0	0	0	0
250	Meter Reading Expenses	902	0	0	0	0	0
251	Customer Records & Collection Expense	903	0	0	0	0	0
252	Operation Supervision	907	0	0	0	0	0
253	Customer Assist- Other	908	0	0	0	0	0
254	Supervision	911	0	0	0	0	0
255	Demonstration	912	0	0	0	0	0
256	Sub OnSite		0	0	0	0	0
257	TOTAL:		4,744	2,861	354	1,528	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 58 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	14	DIST_RATEBASE-C	13	0	0	0
2 Intangible Plant - Software- Labor	303Lab	441	DISTLABOR-C	341	83	18	0
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Pit	1,058	DISTOnlyPT-C	995	24	38	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	1,513		1,349	108	57	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	806	DISTOnlyPT-C	758	19	29	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	899	DISTOnlyPT-C	845	21	33	0
19 Mains	376	76,899	Cust_Avg	71,588	4,760	551	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	226,432	Service_Invest	213,758	2,209	10,465	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	324	GSS Direct	0	324	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	305,359		286,949	7,331	11,078	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 59 OF 85

Account <u>Description</u>	Account <u>Code</u>	DISTRIBUTION CUSTOMER <u>Dollars</u>	Allocation <u>Factor</u>	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	29	DISTPT-C	27	1	1	0
35 Structures and Improvements	390	2,890	DISTPT-C	2,716	69	105	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	4,505	DISTPT-C	4,233	108	163	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	3,792	DISTPT-C	3,563	91	138	0
40 Stores Equipment	393	17	DISTPT-C	16	0	1	0
41 Tools & Garage Equipment	394	1,574	DISTPT-C	1,479	38	57	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	1,163	DISTPT-C	1,093	28	42	0
45 Communication Equipment	397	2,551	DISTPT-C	2,397	61	93	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	12	DISTOnlyPT-C	11	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	61	GSL Direct	0	0	61	0
49 Subtotal - GENERAL PLANT	389-399	16,593		15,536	397	661	0
50 TOTAL UTILITY PLANT		323,466		303,834	7,836	11,796	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	514	DISTPT-C_INT	458	37	19	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	21,913	Cust_Avg	20,399	1,356	157	0
58 Services	109	83,524	Service_Invest	78,849	815	3,860	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	612	DISTPT-CxMSM	483	109	19	0
61 General Plant	109	7,148	DISTPT-C	6,717	172	259	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	113,711		106,908	2,489	4,315	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		327	DISTPT-C	307	8	12	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		42	DISTO&MXGAS-C	37	3	2	0
67 Deferred Income Taxes - Depreciation		(39,874)	DISTPT-C	(37,470)	(957)	(1,447)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(1,911)	DISTPT-C	(1,796)	(46)	(69)	0
70 Customer Deposits		(3,370)	Deposits	(2,775)	(209)	(385)	0
71 TOTAL OTHER RATE BASE ITEMS		(44,786)		(41,698)	(1,201)	(1,888)	0
72 TOTAL RATE BASE (Excl. Working Capital)		164,968		155,229	4,146	5,593	0
73 Working Capital	131	1,247		1,047	122	78	0
74 TOTAL RATE BASE		166,215		156,276	4,268	5,671	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 60 OF 85

				DISTRIBUTION CUSTOMER Class Allocation			
Account Description	Account Code	CUSTOMER Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	705	DISTOnlyPT-C	663	16	26	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	2,166	DISTMAIN-SERV-C	2,038	50	79	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	111	DISTO&MxX/C880-C	103	4	3	0
102 Other Expenses	880	114	DISTO&Mx880xAGS-C	106	5	3	0
103 Distribution Rents	881	239	DISTOnlyPT-C	225	5	9	0
104 Maint. Supervision & Engineering	885	258	DISTLABOR-C	199	49	10	0
105 Maintenance of Structures & Improvements	886	220	DISTPT-C	206	5	8	0
106 Maint. of Mains	887	928	Cust_Avg	864	57	7	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	29	DISTPT-C	27	1	1	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	4,769		4,431	192	146	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		4,769		4,431	192	146	0

EQUITABLE COMPANY
DOCKET NO. 08-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 61 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	0	None	0	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPEN							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	509	Acct901-903,908	474	32	4	0
122 Other Customer Service & Informational Expense	910	698	Account910	698	0	0	0
123 Supervision	911	0	Account911-916	0	0	0	0
124 Demonstration	912	660	Account911-916	0	591	68	0
125 Adverstising expense	913	24	Account911-916	0	22	3	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EX		1,891		1,172	644	75	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALE		1,891		1,172	644	75	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	784	DISTLABOR-C	605	147	31	0
129 Administrative & General Salaries - Direct Assign.	920 DA	73	AGS Direct	0	0	0	73
130 Office Supplies & Expenses	921	108	DISTLABOR-C	83	20	4	0
131 Outside Services Employed - Resid.	923	24	RS Direct	24	0	0	0
132 Outside Services Employed - Labor	923L	480	DISTLABOR-C	371	90	19	0
133 Injuries & Damages	925Labor	45	DISTLABOR-C	34	8	2	0
134 Employee Pensions and Benefits	926	756	DISTLABOR-C	583	142	30	0
135 Rents	931	531	DISTLABOR-C	410	100	21	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		2,800		2,111	508	108	73
B. Plant-Related:							
137 Property Insurance	924	124	DISTPT-C	116	3	4	0
138 Outside Services Employed-plant	923p	50	DISTPT-C	47	1	2	0
139 Injuries & Damages	925Plant	1,522	DISTPT-C	1,430	37	55	0
140 Misc. Maintenance Expense	932	452	DISTPT_GEN-C	423	11	18	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	18	AGS Direct	0	0	0	18
142 Subtotal - O&M Accounts 924-925P		2,166		2,016	52	79	18
C. Other-Related:							
143 Administrative Expenses Transferred	922	(10)	DIST_PT_O&M-C	(9)	(0)	(0)	0
144 Outside Services Employed-cust	923c	5,083	Cust_Avg	4,732	315	36	0
145 Outside Services Employed-plant-O&M	923p-om	1,846	DIST_PT_O&M-C	1,725	59	62	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	53	AGS Direct	0	0	0	53
147 Regulatory Commission Expenses	928	136	DIST_PT_O&MxAGS-C	127	4	5	0
148 General Advertising Expense	930.1	53	DIST_PT_O&MxAGS-C	49	2	2	0
149 Miscellaneous General Expenses	930.2	49	DIST_PT_O&M-C	45	2	2	0
150 Subtotal - O&M Accounts 928-935		7,209		6,669	381	106	53
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		12,175		10,797	941	293	144
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and		18,835		16,399	1,778	514	144

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 62 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	152	DISTPT-C_INT	136	11	6	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	1,176	Cust_Avg	1,095	73	8	0
159 Services	180Services	5,815	Service_Invest	5,489	57	269	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	88	DISTPT-CxMSM	69	16	3	0
162 General Plant	180Gen	1,497	DISTPT_GEN-C	1,402	36	60	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	8,728		8,191	192	345	0
VI. TAXES							
A. General Taxes							
166 PA PUC Assessment		1,139	Delivery_RevxAGS	805	111	224	0
167 Local property taxes		25	TOTALPLANTxAGS	18	1	5	0
168 Public utility reality tax		202	TOTALPLANTxAGS	151	11	41	0
169 State capital stock tax		127	RATEBASExAGS	96	8	23	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	1,494		1,070	131	293	0
B. Income Tax Expense							
172 State Income Tax expense		(211)	PreTax-Dist-C	(126)	(25)	(50)	(10)
173 Federal Income Tax expense		1,121	PreTax-Dist-C	672	131	266	53
174 Investment Tax Credit - Amortization		(1)	PreTax-Dist-C	(1)	(0)	(0)	(0)
175 Subtotal- Income tax expense		909		545	106	215	43
176 TOTAL TAX EXPENSE		2,402		1,614	237	508	43
177 TOTAL EXPENSES		29,965		26,205	2,207	1,367	186
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	37,755	Delivery_Rev	25,752	3,538	7,167	1,299
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		61	Delivery_RevxAGS	43	6	12	0
182 Subtotal- Gas Revenues, net		37,816		25,796	3,543	7,179	1,299
183 TOTAL REVENUE		37,816		25,796	3,543	7,179	1,299
184 TOTAL EXPENSES		29,965		26,205	2,207	1,367	186
185 NET INCOME at Present Rates		7,851		(409)	1,337	5,812	1,112

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 63 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	37,816		25,796	3,543	7,179	1,299
187	Total Operating Expenses	18,835		16,399	1,778	514	144
188	Depreciation Expense	8,728		8,191	192	345	0
189	Taxes other than Income	1,494		1,070	131	293	0
190	Total Other Expenses	10,221		9,261	323	638	0
191	Income tax expense	909		545	106	215	43
192	Total expenses	29,965		26,205	2,207	1,367	186
193	NET INCOME at Present Rates	7,851		(409)	1,337	5,812	1,112
194	Total Rate Base	166,215		156,276	4,268	5,671	0
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	166,215		156,276	4,268	5,671	0
199	Operating expenses	18,835		16,399	1,778	514	144
200	Depreciation expense	8,728		8,191	192	345	0
201	Taxes other than Income	1,494		1,070	131	293	0
202	Operating expenses to recover	29,056		25,660	2,101	1,152	144
203	Target Return on Rate Base- After taxes	14,777		13,893	379	504	0
204	Income taxes to recover	7,276	49.2%	6,841	187	248	0
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	51,109		46,394	2,667	1,904	144

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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PRESENT RATES - DESIGN DAY METHOD
SHEET 64 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		378	DISTLABOR-C	292	71	15	0
215 Accounts Payable, Other- O&MxGas		963	ONSITEO&MxGASxAGS-C	844	53	66	0
216 Accounts Payable, Total		1,342		1,136	124	81	0
217 Accrued interest		(399)	DISTPT-C	(375)	(10)	(14)	0
218 Other, net		304	DISTPT-C	286	7	11	0
219 Defd Items & Other, Total		(95)		(89)	(2)	(3)	0
220 Total Working Capital		1,247		1,047	122	78	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 65 OF 85

		DISTRIBUTION		DISTRIBUTION CUSTOMER Class Allocation			
Account Description	Account Code	CUSTOMER Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	498		468	11	18	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	650		612	15	24	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	30		28	1	1	0
239 Other Expenses	880	31		29	1	1	0
240 Maint. Supervision & Engineering	885	176		136	33	7	0
241 Maintenance of Structures & Improvements	886	71		66	2	3	0
242 Maint. of Mains	887	380		354	24	3	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	19		18	0	1	0
248 Sub Distribution		1,855		1,711	88	57	0
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	285		266	18	2	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	420		0	376	44	0
256 Sub OnSite		705		266	394	46	0
257 TOTAL:		2,560		1,977	482	102	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 66 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE				3	4	5	6
I. GAS PLANT IN SERVICE				3	4	5	6
A. INTANGIBLE PLANT							
1 Organization	301	4	ONSITE_RATEBASE-C	3	0	0	0
2 Intangible Plant - Software- Labor	303Lab	1,554	ONSITELABOR-C	1,297	125	132	0
3 Intangible Plant - Software- Customer	303Cust	2,743	Cust_Avg	2,553	170	20	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	Cust_Avg	14,549	967	112	0
6 Subtotal - INTANGIBLE ASSETS	301-303	19,928		18,402	1,262	264	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	17,775	Meter_Invest	12,344	1,821	3,610	0
27 Meter Installations	382	9,208	Meter_Invest	6,395	943	1,870	0
28 House Regulators	383	5,656	Account 383/384	3,852	865	939	0
29 House Regulator Installations	384	1,514	Account 383/384	1,031	231	251	0
30 Ind. Meas. & Reg. Station Equip.	385	441	GSL Direct	0	0	441	0
31 Property on Customers' Premises	386	15,838	Account386	14,394	356	1,087	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	50,432		38,017	4,217	8,199	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11 - 1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 67 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	5	ONSITEPT-C	4	0	1	0
35 Structures and Improvements	390	477	ONSITEPT-C	360	40	78	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	744	ONSITEPT-C	561	62	121	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	626	ONSITEPT-C	472	52	102	0
40 Stores Equipment	393	3	ONSITEPT-C	2	0	0	0
41 Tools & Garage Equipment	394	260	ONSITEPT-C	196	22	42	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	192	ONSITEPT-C	145	16	31	0
45 Communication Equipment	397	421	ONSITEPT-C	318	35	68	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	2	ONSITEPT-C	1	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	10	GSL Direct	0	0	10	0
49 Subtotal - GENERAL PLANT	389-399	2,740		2,058	228	454	0
50 TOTAL UTILITY PLANT		73,101		58,477	5,708	8,917	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	6,768	ONSITEPT-C_INT	6,250	429	90	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	12,975	Meter_Invest	9,011	1,329	2,635	0
60 Distr Other	109	7,072	ONSITE-CxMSM	5,814	438	820	0
61 General Plant	109	1,181	ONSITEPT-C	890	99	192	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	27,996		21,964	2,295	3,737	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		54	ONSITEPT-C	41	5	9	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		122	ONSITEO&MXGAS-C	107	7	8	1
67 Deferred Income Taxes - Depreciation		(6,586)	ONSITEPT-C	(4,964)	(551)	(1,071)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(316)	ONSITEPT-C	(238)	(26)	(51)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(6,725)		(5,055)	(566)	(1,105)	1
72 TOTAL RATE BASE (Excl. Working Capital)		38,380		31,457	2,847	4,075	1
73 Working Capital	131	4,135		3,569	262	304	0
74 TOTAL RATE BASE		42,515		35,026	3,108	4,380	1

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 68 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmision expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	116	ONSITEDistPT-C	80	13	24	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	6,062	ONSITE-MR-C	4,193	685	1,184	0
100 Customer Installation Expense	879	62	RS Direct	62	0	0	0
101 Other Expenses - Safety and Environmental	880	172	ONSITEO&MxAVC880-C	123	18	31	0
102 Other Expenses	880	177	ONSITEO&Mx880xAGS-C	127	18	32	0
103 Distribution Rents	881	40	ONSITEDistPT-C	27	4	8	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	663	Service_Invest	626	6	31	0
110 Maint. of Meters & House Regulators	893	107	ONSITE-MR-C	74	12	21	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	7,398		5,311	757	1,330	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		7,398		5,311	757	1,330	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 69 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	225	Acct901-903,908	210	14	2	0
115 Meter Reading Expenses	902	587	Acct901-903,908	546	36	4	0
116 Customer Records & Collection Expense	903	10,270	Acct901-903,908	9,561	636	74	0
117 Uncollectible Accounts	904	25,050	Account904	23,515	540	995	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132		33,832	1,225	1,075	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	0	None	0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0
123 Supervision	911	0	None	0	0	0	0
124 Demonstration	912	0	None	0	0	0	0
125 Advertising expense	913	0	None	0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP		0		0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES I		36,132		33,832	1,225	1,075	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	2,762	ONSITELABOR-C	2,305	222	235	0
129 Administrative & General Salaries - Direct Assign.	920 DA	256	AGS Direct	0	0	0	256
130 Office Supplies & Expenses	921	380	ONSITELABOR-C	317	31	32	0
131 Outside Services Employed - Resid.	923	84	RS Direct	84	0	0	0
132 Outside Services Employed - Labor	923L	1,691	ONSITELABOR-C	1,411	136	144	0
133 Injuries & Damages	925Labor	157	ONSITELABOR-C	131	13	13	0
134 Employee Pensions and Benefits	926	2,662	ONSITELABOR-C	2,222	214	227	0
135 Rents	931	1,872	ONSITELABOR-C	1,562	150	159	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		9,864		8,032	766	811	256
B. Plant-Related:							
137 Property Insurance	924	20	ONSITEPT-C	15	2	3	0
138 Outside Services Employed-plant	923p	8	ONSITEPT-C	6	1	1	0
139 Injuries & Damages	925Plant	251	ONSITEPT-C	189	21	41	0
140 Misc. Maintenance Expense	932	75	ONSITEPT_GEN-C	56	6	12	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	3	AGS Direct	0	0	0	3
142 Subtotal - O&M Accounts 924-925P		358		267	30	58	3
C. Other-Related:							
143 Administrative Expenses Transferred	922	(6)	ONSITE_PT_O&M-C	(4)	(1)	(1)	0
144 Outside Services Employed-cust	923c	0	None	0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	1,167	ONSITE_PT_O&M-C	859	108	200	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	33	AGS Direct	0	0	0	33
147 Regulatory Commission Expenses	928	86	Onsi_PT_O&MxAGS-C	63	8	15	0
148 General Advertising Expense	930.1	33	Onsi_PT_O&MxAGS-C	25	3	6	0
149 Miscellaneous General Expenses	930.2	26	ONSITE_PT_O&M-C	19	2	4	0
150 Subtotal - O&M Accounts 928-935		1,340		961	121	224	33
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		11,561		9,260	917	1,092	292
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and G		55,092		48,403	2,899	3,497	292

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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PRESENT RATES - DESIGN DAY METHOD
SHEET 70 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	2,005	ONSITEPT-C_INT	1,851	127	27	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	796	Meter_Invest	553	82	162	0
161 Distr Other	180Dist	1,012	ONSITE-CxMSM	832	63	117	0
162 General Plant	180Gen	247	ONSITEPT_GEN-C	186	21	41	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	4,060		3,422	292	347	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		4	ONSITEPT-C	3	0	1	0
168 Public utility reality tax		33	ONSITEPT-C	25	3	5	0
169 State capital stock tax		33	ONSITEPT-C	25	3	5	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	70		53	6	11	0
B. Income Tax Expense							
172 State Income Tax expense		(362)	PreTax-OnSi-C	(248)	(33)	(68)	(13)
173 Federal Income Tax expense		1,924	PreTax-OnSi-C	1,316	176	364	68
174 Investment Tax Credit - Amortization		(2)	PreTax-OnSi-C	(1)	(0)	(0)	(0)
175 Subtotal- Income tax expense		1,560		1,067	143	295	55
176 TOTAL TAX EXPENSE		1,630		1,119	149	306	55
177 TOTAL EXPENSES		60,782		52,945	3,340	4,150	347
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	48,730	Delivery_Rev	33,238	4,566	9,250	1,676
179 Forfeited Discounts		1,558	Account904	1,462	34	62	0
180 Miscellaneous Service Revenue		1,209	Misc_Ser_Rev	1,163	40	5	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		51,497		35,864	4,640	9,316	1,676
183 TOTAL REVENUE		51,497		35,864	4,640	9,316	1,676
184 TOTAL EXPENSES		60,782		52,945	3,340	4,150	347
185 NET INCOME at Present Rates		(9,285)		(17,081)	1,300	5,167	1,329

EQUITABLE COMPANY
DOCKET NO. 08-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 71 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	51,497		35,864	4,640	9,316	1,676
187	Total Operating Expenses	55,092		48,403	2,899	3,497	292
188	Depreciation Expense	4,060		3,422	292	347	0
189	Taxes other than Income	<u>70</u>		<u>53</u>	<u>6</u>	<u>11</u>	<u>0</u>
190	Total Other Expenses	4,131		3,475	298	358	0
191	Income tax expense	1,560		1,067	143	295	55
192	Total expenses	60,782		52,945	3,340	4,150	347
193	NET INCOME at Present Rates	(9,285)		(17,081)	1,300	5,167	1,329
194	Total Rate Base	42,515		35,026	3,108	4,380	1
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	42,515		35,026	3,108	4,380	1
199	Operating expenses	55,092		48,403	2,899	3,497	292
200	Depreciation expense	4,060		3,422	292	347	0
201	Taxes other than Income	<u>70</u>		<u>53</u>	<u>6</u>	<u>11</u>	<u>0</u>
202	Operating expenses to recover	59,222		51,878	3,197	3,855	292
203	Target Return on Rate Base- After taxes	3,780		3,114	276	389	0
204	Income taxes to recover	1,861	49.2%	1,533	136	192	0
205	Additional expenses	1,103	RS Direct	1,103	0	0	0
206	TOTAL REVENUE REQUIREMENT	<u>65,966</u>		<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 72 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		1,333	ONSITELABOR-C	1,112	107	113	0
215 Accounts Payable, Other- O&MxGas		2,818	ONSITEO&MxGASxAGS-C	2,468	156	193	0
216 Accounts Payable, Total		4,150		3,581	263	307	0
217 Accrued interest		(66)	ONSITEPT-C	(50)	(6)	(11)	0
218 Other, net		50	ONSITEPT-C	38	4	8	0
219 Defd Items & Other, Total		(16)		(12)	(1)	(3)	0
220 Total Working Capital		4,135		3,569	262	304	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 73 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	82		56	9	17	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	0		0	0	0	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	2,825		1,954	319	552	0
237 Customer Installation Expense	879	6		6	0	0	0
238 Other Expenses - Safety and Environmental	880	47		34	5	8	0
239 Other Expenses	880	48		35	5	9	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	300		283	3	14	0
246 Maint. of Meters & House Regulators	893	46		32	5	9	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		3,355		2,400	346	609	0
OnSite:							
249 Customer Service - Administrative	901	174		162	11	1	0
250 Meter Reading Expenses	902	144		134	9	1	0
251 Customer Records & Collection Expense	903	3,828		3,563	237	27	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		4,145		3,859	257	30	0
257 TOTAL:		7,500		6,259	603	638	0

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 74 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
1. RATE BASE									
I. GAS PLANT IN SERVICE									
A. INTANGIBLE PLANT									
1 Organization	301	50	RATEBASE	PRDGTHBASE	P&G_RATEBASE-E	STORBASE	OR_RATEBAS	TRANBASE	RAN_RATEBASE-I
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	PRDGTHPT	PRDGTHPT-E	-	-	DEMAND	TRANSLABOR-D
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	-	-	-	-	-	-
4 Intangible Plant - Software- Plant	303Plt	2,485	DIST	-	-	-	-	-	-
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	-	-	-	-	-	-
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248							
B. PRODUCTION & GATHERING PLANT									
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	COMMODITY	AGS Direct	-	-	-	-
8 Subtotal - PRODUCTION & GATHERING P	304-338	28,445							
C. STORAGE PLANT									
9 Storage Plant	360-368	0	-	-	-	-	-	-	-
10 Subtotal - STORAGE PLANT	360-368	0							
D. TRANSMISSION PLANT									
11 Transmission plant	365-370	106	TRANS	-	-	-	-	DEMAND	Peak
12 Transmission - Mains	367	1,243	TRANS	-	-	-	-	DEMAND	Peak
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	-	-	-	-	DEMAND	AGS Direct
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	-	-	-	-	DEMAND	AGS Direct
15 Subtotal - TRANSMISSION PLANT	365-370	32,350							
E. DISTRIBUTION PLANT									
16 Land and Land Rights	374	1,893	DIST	-	-	-	-	-	-
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	-	-	-	-	-	-
18 Structures and Improvements	375	2,111	DIST	-	-	-	-	-	-
19 Mains	376	457,729	DIST	-	-	-	-	-	-
20 Mains - Direct Assign.	376 DA	10,267	DIST	-	-	-	-	-	-
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	-	-	-	-	-	-
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	-	-	-	-	-	-
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	-	-	-	-	-	-
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	-	-	-	-	-	-	-
25 Services	380	226,432	DIST	-	-	-	-	-	-
26 Meters	381	17,775	ONSITE	-	-	-	-	-	-
27 Meter Installations	382	9,208	ONSITE	-	-	-	-	-	-
28 House Regulators	383	5,656	ONSITE	-	-	-	-	-	-
29 House Regulator Installations	384	1,514	ONSITE	-	-	-	-	-	-
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	-	-	-	-	-	-
31 Property on Customers' Premises	386	15,838	ONSITE	-	-	-	-	-	-
32 Other Equipment	387	324	DIST	-	-	-	-	-	-
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9 (1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 75 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
1. RATE BASE								
I. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT								
1 Organization	301	50	RATEBASE	DISTBASE	DIST_RATEBASE-D	DIST_RATEBASE-C	ONSITE_RB	ONSITE_RATEBASE-C
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	-	-	-	CUST	Cust_Avg
4 Intangible Plant - Software- Plant	303Pli	2,485	DIST	DISTPT	DISTOnlyPT-D	DISTOnlyPT-C	-	-
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	-	-	-	CUST	Cust_Avg
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248						
B. PRODUCTION & GATHERING PLANT								
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	-	-	-	-	-
8 Subtotal - PRODUCTION & GATHERING f	304-338	28,445						
C. STORAGE PLANT								
9 Storage Plant	360-368	0	-	-	-	-	-	-
10 Subtotal - STORAGE PLANT	360-368	0						
D. TRANSMISSION PLANT								
11 Transmission plant	365-370	106	TRANS	-	-	-	-	-
12 Transmission - Mains	367	1,243	TRANS	-	-	-	-	-
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	-	-	-	-	-
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	-	-	-	-	-
15 Subtotal - TRANSMISSION PLANT	365-370	32,350						
E. DISTRIBUTION PLANT								
16 Land and Land Rights	374	1,893	DIST	DISTOnlyPT	Peak	DISTOnlyPT-C	-	-
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	DEMAND	GSL Direct	-	-	-
18 Structures and Improvements	375	2,111	DIST	DISTOnlyPT	Peak	DISTOnlyPT-C	-	-
19 Mains	376	457,729	DIST	MAINS	Peak	Cust_Avg	-	-
20 Mains - Direct Assign.	376 DA	10,267	DIST	DEMAND	GSL Direct	-	-	-
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	DEMAND	Peak	-	-	-
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	DEMAND	GSL Direct	-	-	-
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	DEMAND	Peak	-	-	-
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	-	-	-	-	-	-
25 Services	380	226,432	DIST	CUST	-	Service_Invest	-	-
26 Meters	381	17,775	ONSITE	-	-	-	CUST	Meter_Invest
27 Meter Installations	382	9,208	ONSITE	-	-	-	CUST	Meter_Invest
28 House Regulators	383	5,656	ONSITE	-	-	-	CUST	Account 383/384
29 House Regulator Installations	384	1,514	ONSITE	-	-	-	CUST	Account 383/384
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	-	-	-	CUST	GSL Direct
31 Property on Customers' Premises	386	15,838	ONSITE	-	-	-	CUST	Account386
32 Other Equipment	387	324	DIST	CUST	-	GSS Direct	-	-
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793						

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 76 OF 85

Account Description	Account	Total Dollars	Functional Allocator	PRODUCTION & GATHERING		STORAGE		TRANSMISSION	
				Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
F. GENERAL PLANT									
34 Land and Land Rights	389	78	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
35 Structures and Improvements	390	7,842	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
36 Structures and Improvements - Direct Assig	390 DA	67	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
37 Office Furniture and Equipment	391	12,224	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
38 Office Furniture and Equipment - Direct As	391 DA	2	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
39 Transportation Equipment	392	10,288	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
40 Stores Equipment	393	47	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
41 Tools & Garage Equipment	394	4,271	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
43 Laboratory Equipment	395	0	-	-	-	-	-	-	-
44 Power Operated Equipment	396	3,155	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
45 Communication Equipment	397	6,923	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
46 Communication Equipment - Direct Assign.	397 DA	6	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
47 Miscellaneous Equipment	398	32	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	PLANTxAGS	-	-	-	-	DEMAND	GSL Direct
49 Subtotal - GENERAL PLANT	389-399	45,118							
50 TOTAL UTILITY PLANT									
II. DEPRECIATION RESERVE									
51 Intangible Plant	108	8,236	INTANG_PT	PRDGTHTPT	PRDGTHTPT-E	DEMAND	OR_RATEBASE	DEMAND	TRAN_RATEBASE-
52 Production & Gathering Plant	108.2	0	-	-	-	-	-	-	-
53 Production & Gathering Plant - Direct Assig	108.2 DA	8,153	PRODGATH	COMMODITY	AGS Direct	-	-	-	-
54 Local Storage Plant	108.3	0	-	-	-	-	-	-	-
55 Transmission Plant	108.4	658	TRANS	-	-	-	-	DEMAND	Peak
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	TRANS	-	-	-	-	DEMAND	AGS Direct
57 Mains	109	130,432	DIST	-	-	-	-	-	-
58 Services	109	83,524	DIST	-	-	-	-	-	-
59 Meters	109	12,975	ONSITE	-	-	-	-	-	-
60 Distr Other	109	13,987	DIST_xMSM	-	-	-	-	-	-
61 General Plant	109	19,396	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
62 General Plant - Direct Assign.	108.8 DA	21	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
63 TOTAL DEPRECIATION RESERVE	108	289,353							
III. OTHER RATE BASE ITEMS									
64 Materials and Supplies		887	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
65 Current Gas Storage		75,176	STOR	-	-	DEMAND	Storage	-	-
66 Prepayments		234	O&MxGas	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	TRAN_PTxAGS-D
68 Deferred Income Taxes - Direct Assign.		(2,423)	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
69 Deferred ITC		(4,903)	PLANTxAGS	-	-	-	-	DEMAND	TRAN_PTxAGS-D
70 Customer Deposits		(3,370)	DIST	-	-	-	-	-	-
71 TOTAL OTHER RATE BASE ITEMS		(36,684)							
72 TOTAL RATE BASE (Excl. Working Capita		571,917							
73 Working Capital	131	11,335							
74 TOTAL RATE BASE		583,253							

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 77 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
F. GENERAL PLANT								
34 Land and Land Rights	389	78	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
35 Structures and Improvements	390	7,842	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
36 Structures and Improvements - Direct Assign	390 DA	67	PLANT_AGS	-	-	-	-	-
37 Office Furniture and Equipment	391	12,224	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
38 Office Furniture and Equipment - Direct Assign	391 DA	2	PLANT_AGS	-	-	-	-	-
39 Transportation Equipment	392	10,288	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
40 Stores Equipment	393	47	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
41 Tools & Garage Equipment	394	4,271	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
42 Tools & Garage Equipment - Direct Assign	394 DA	26	PLANT_AGS	-	-	-	-	-
43 Laboratory Equipment	395	0	-	-	-	-	-	-
44 Power Operated Equipment	396	3,155	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
45 Communication Equipment	397	6,923	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
46 Communication Equipment - Direct Assign	397 DA	6	PLANT_AGS	-	-	-	-	-
47 Miscellaneous Equipment	398	32	PLANT	DISTPT	DISTPT-D	DISTOnlyPT-C	CUST	ONSITEPT-C
48 Miscellaneous Equipment - Direct Assign	398 DA	156	PLANTxAGS	DISTPT	GSL Direct	GSL Direct	CUST	GSL Direct
49 Subtotal - GENERAL PLANT	389-399	45,118						
50 TOTAL UTILITY PLANT								
II. DEPRECIATION RESERVE								
51 Intangible Plant	108	8,236	INTANG_PT	DISTPT_INT	DISTPT-D_INT	DISTPT-C_INT	CUST	ONSITEPT-C_INT
52 Production & Gathering Plant	108.2	0	-	-	-	-	-	-
53 Production & Gathering Plant - Direct Assign	108.2 DA	8,153	PRODGATH	-	-	-	-	-
54 Local Storage Plant	108.3	0	-	-	-	-	-	-
55 Transmission Plant	108.4	658	TRANS	-	-	-	-	-
56 Transmission Plant - Direct Assign	108.4 DA	11,969	TRANS	-	-	-	-	-
57 Mains	109	130,432	DIST	MAINS	DISTMAIN-D	Cust_Avg	-	-
58 Services	109	83,524	DIST	CUST	-	Service_Invest	-	-
59 Meters	109	12,975	ONSITE	-	-	-	CUST	Meter_Invest
60 Distr Other	109	13,987	DIST_xMSM	DISTPT_xMSM	DISTPT-DxMSM	DISTPT-CxMSM	CUST	ONSITE-CxMSM
61 General Plant	109	19,396	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
62 General Plant - Direct Assign	108.8 DA	21	PLANT_AGS	-	-	-	-	-
63 TOTAL DEPRECIATION RESERVE	108	289,353						
III. OTHER RATE BASE ITEMS								
64 Materials and Supplies		887	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
65 Current Gas Storage		75,176	STOR	-	-	-	-	-
66 Prepayments		234	O&MxGas	DISTO&MxGas	DISTO&MXGAS-D	DISTO&MXGAS-C	ONSITEO&MxGas	ONSITEO&MXGAS-C
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
68 Deferred Income Taxes - Direct Assign		(2,423)	PLANT_AGS	-	-	-	-	-
69 Deferred ITC		(4,903)	PLANTxAGS	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
70 Customer Deposits		(3,370)	DIST	CUST	-	Deposits	-	-
71 TOTAL OTHER RATE BASE ITEMS		(36,684)						
72 TOTAL RATE BASE (Excl. Working Capital)		571,917						
73 Working Capital	131	11,335						
74 TOTAL RATE BASE		583,253						

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.51(1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 78 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
2. EXPENSES									
I. OPERATION & MAINTENANCE EXPEN.									
A. PRODUCTION & GATHERING EXPEN:									
75 Operations Expense	750-756	1,043	PRODGATH	PRDGTHTPT	PRDGTHTPT-E	-	-	-	-
76 Maintenance Expense	761-765	1,766	PRODGATH	PRDGTHTPT	PRDGTHTPT-E	-	-	-	-
77 Subtotal - Production and Gathering	750-765								
B. OTHER GAS SUPPLY EXPENSES									
78 Natural gas field line purchases	801	0	-	-	-	-	-	-	-
79 Natural gas transmission line purchases	803	0	-	-	-	-	-	-	-
80 Natural Gas City Gate Purchases	804	0	-	-	-	-	-	-	-
81 Other Natural Gas Purchases	805	0	-	-	-	-	-	-	-
82 Well Expenses - Purchased Gas	807	0	-	-	-	-	-	-	-
83 Maintenance of Purchased Gas Meas. Sta.	807	0	-	-	-	-	-	-	-
84 Gas Withdrawn from Storage	808	0	-	-	-	-	-	-	-
85 Gas Delivered to Storage	808	0	-	-	-	-	-	-	-
86 Other Gas Supply Expense	813	391	PRODGATH	COMMODITY	Account813	-	-	-	-
87 Subtotal - OTHER GAS SUPPLY EXPENS	800-813	391							
C. NATURAL GAS STORAGE									
88 LNG Operating Exp Admin	840	0	-	-	-	-	-	-	-
89 Operating Exp- Admin	850	0	-	-	-	-	-	-	-
90 Subtotal - NATURAL GAS STORAGE	840-850	0							
D. TRANSMISSION EXPENSES									
91 Transmission expenses	856-863	0	-	-	-	-	-	-	-
92 Subtotal- Transmission Expenses	856-863	0							
E. DISTRIBUTION EXPENSES									
93 Operation Supv & Engineering	870	1,773	DIST_PT	-	-	-	-	-	-
94 Load Dispatching	871	112	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
95 Compressor Station Fuel and Power	873	(0)	-	-	-	-	-	-	-
96 Mains and Services Expenses	874	5,088	N_SERV_TRANM	-	-	-	-	TRANS_MAINS	TRANS_MAINS-D
97 Meas. & Reg. Station Expense General	875	100	DIST	-	-	-	-	-	-
98 Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-	-
99 Meter & House Regulator Expenses	878	6,062	ONSITE	-	-	-	-	-	-
100 Customer Installation Expense	879	62	ONSITE	-	-	-	-	-	-
101 Other Expenses - Safety and Environment	880	632	O&MxAcct880	PRDGTHTO&MxA/C880	PRDGTHTO&MxA/C880	-	-	DEMAND	RANO&MxA/C880-
102 Other Expenses	880	650	O&MxAcct880	PRDGTHTO&MxA/C880	P&G_O&Mx880xAGS	-	-	DEMAND	RANO&Mx880xAGS
103 Distribution Rents	881	602	DIST_PT	-	-	-	-	-	-
104 Maint. Supervision & Engineering	885	885	DIST	-	-	-	-	-	-
105 Maintenance of Structures & Improvements	886	516	DIST	-	-	-	-	-	-
106 Maint. of Mains	887	5,521	DIST	-	-	-	-	-	-
107 Maint Of Meas. & Reg. Station Expense Gr	889	1,192	DIST	-	-	-	-	-	-
108 Maint Of Meas. & Reg. Sta. Exp. City Gate	891	10	DIST	-	-	-	-	-	-
109 Maint. of Services	892	663	ONSITE	-	-	-	-	-	-
110 Maint. of Meters & House Regulators	893	107	ONSITE	-	-	-	-	-	-
111 Maintenance of Other Equipment	894	67	DIST	-	-	-	-	-	-
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042							
113 TOTAL OPERATION & MAINTENANCE E:		27,242							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 79 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
2. EXPENSES								
I. OPERATION & MAINTENANCE EXPEN:								
A. PRODUCTION & GATHERING EXPEN:								
75 Operations Expense	750-756	1,043	PRODGATH	-	-	-	-	-
76 Maintenance Expense	761-765	1,766	PRODGATH	-	-	-	-	-
77 Subtotal - Production and Gathering	750-765							
B. OTHER GAS SUPPLY EXPENSES								
78 Natural gas field line purchases	801	0	-	-	-	-	-	-
79 Natural gas transmission line purchases	803	0	-	-	-	-	-	-
80 Natural Gas City Gate Purchases	804	0	-	-	-	-	-	-
81 Other Natural Gas Purchases	805	0	-	-	-	-	-	-
82 Well Expenses - Purchased Gas	807	0	-	-	-	-	-	-
83 Maintenance of Purchased Gas Meas. Sta.	807	0	-	-	-	-	-	-
84 Gas Withdrawn from Storage	808	0	-	-	-	-	-	-
85 Gas Delivered to Storage	808	0	-	-	-	-	-	-
86 Other Gas Supply Expense	813	391	PRODGATH	-	-	-	-	-
87 Subtotal - OTHER GAS SUPPLY EXPENS	800-813	391						
C. NATURAL GAS STORAGE								
88 LNG Operating Exp Admin	840	0	-	-	-	-	-	-
89 Operating Exp- Admin	850	0	-	-	-	-	-	-
90 Subtotal - NATURAL GAS STORAGE	840-850	0						
D. TRANSMISSION EXPENSES								
91 Transmission expenses	856-863	0	-	-	-	-	-	-
92 Subtotal- Transmission Expenses	856-863	0						
E. DISTRIBUTION EXPENSES								
93 Operation Supv & Engineering	870	1,773	DIST_PT	DISTOnlyPT	DISTOnlyPT-D	DISTOnlyPT-C	CUST	ONSITEDistPT-C
94 Load Dispatching	871	112	PRODGATH	-	-	-	-	-
95 Compressor Station Fuel and Power	873	(0)	-	-	-	-	-	-
96 Mains and Services Expenses	874	5,088	N_SERV_TRANM	MAIN&SERVICE	DISTMAIN-SERV-D	DISTMAIN-SERV-C	-	-
97 Meas. & Reg. Station Expense General	875	100	DIST	DEMAND	Peak	-	-	-
98 Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-
99 Meter & House Regulator Expenses	878	6,062	ONSITE	-	-	-	CUST	ONSITE-MR-C
100 Customer Installation Expense	879	62	ONSITE	-	-	-	CUST	RS Direct
101 Other Expenses - Safety and Environment	880	632	O&MxAcct880	DISTO&MxA/C880	DISTO&MxA/C880-D	DISTO&MxA/C880-C	ONSITEO&MxA/C880	ONSITEO&MxA/C880-C
102 Other Expenses	880	650	O&MxAcct880	DISTO&MxA/C880	DISTO&Mx880xAGS-D	DISTO&Mx880xAGS-C	ONSITEO&MxA/C880	ONSITEO&Mx880xAGS-C
103 Distribution Rents	881	602	DIST_PT	DISTOnlyPT	DISTOnlyPT-D	DISTOnlyPT-C	CUST	ONSITEDistPT-C
104 Maint. Supervision & Engineering	885	885	DIST	DISTLABOR	DISTLABOR-D	DISTLABOR-C	-	-
105 Maintenance of Structures & Improvements	886	516	DIST	DISTOnlyPT	DISTOnlyPT-D	DISTPT-C	-	-
106 Maint. of Mains	887	5,521	DIST	MAINS	DISTMAIN-D	Cust_Avg	-	-
107 Maint Of Meas. & Reg. Station Expense Gr	889	1,192	DIST	DEMAND	Peak	-	-	-
108 Maint Of Meas. & Reg. Sta. Exp. City Gate	891	10	DIST	DEMAND	Peak	-	-	-
109 Maint. of Services	892	663	ONSITE	-	-	-	CUST	Service_Invest
110 Maint. of Meters & House Regulators	893	107	ONSITE	-	-	-	CUST	ONSITE-MR-C
111 Maintenance of Other Equipment	894	67	DIST	DISTOnlyPT	DISTPT-D	DISTPT-C	-	-
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042						
113 TOTAL OPERATION & MAINTENANCE E:		27,242						

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.91(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 80 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
II. CUSTOMER ACCOUNTS EXPENSES									
114 Customer Service - Administrative	901	225	ONSITE	-	-	-	-	-	-
115 Meter Reading Expenses	902	587	ONSITE	-	-	-	-	-	-
116 Customer Records & Collection Expense	903	10,270	ONSITE	-	-	-	-	-	-
117 Uncollectible Accounts	904	25,050	ONSITE	-	-	-	-	-	-
118 Miscellaneous Customer Accounts Expens	905	0	-	-	-	-	-	-	-
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132							
III. CUSTOMER SERVICE & INFORMATI									
120 Operation Supervision	907	0	-	-	-	-	-	-	-
121 Customer Assist- Other	908	509	DIST	-	-	-	-	-	-
122 Other Customer Service & Informational Ex	910	698	DIST	-	-	-	-	-	-
123 Supervision	911	0	-	-	-	-	-	-	-
124 Demonstration	912	660	DIST	-	-	-	-	-	-
125 Advertising expense	913	24	DIST	-	-	-	-	-	-
126 TOTAL CUSTOMER SERVICE & INFORM		1,891							
127 TOTAL CUSTOMER ACCOUNTS. SERV		38,024							
IV. ADMINISTRATIVE & GENERAL EXPEI									
A. Labor-Related:									
128 Administrative & General Salaries	920	5,940	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
129 Administrative & General Salaries - Direct /	920 DA	550	LABOR	COMMODITY	AGS Direct	-	-	DEMAND	AGS Direct
130 Office Supplies & Expenses	921	817	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
131 Outside Services Employed - Resid.	923	180	LABOR	COMMODITY	RS Direct	-	-	-	-
132 Outside Services Employed - Labor	923L	3,637	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
133 Injuries & Damages	925Labor	338	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
134 Employee Pensions and Benefits	926	5,725	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
135 Rents	931	4,025	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
136 Subtotal - O&M Accounts 920-923, 925L, 9		21,213							
B. Plant-Related:									
137 Property Insurance	924	335	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak
138 Outside Services Employed-plant	923p	135	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak
139 Injuries & Damages	925Plant	4,130	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	PRDGTHPT	P&G_PT_GEN-E	-	-	DEMAND	TRAN_PT_GEN-D
141 Misc. Maintenance Expense - Direct Assigr	932 DA	50	GENERAL PT	PRDGTHPT	AGS Direct	-	-	DEMAND	AGS Direct
142 Subtotal - O&M Accounts 924-925P		5,879							
C. Other-Related:									
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
144 Outside Services Employed-cust	923c	5,083	DIST	-	-	-	-	-	-
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
146 Outside Services Employed-plant-O&M - D	923p-om DA	200	PLANT_O&M	COMMODITY	AGS Direct	-	-	DEMAND	AGS Direct
147 Regulatory Commission Expenses	928	517	PLANT_O&M	COMMODITY	P&G_PT_O&MxAGS-E	-	-	DEMAND	TRAN_PTxAGS-D
148 General Advertising Expense	930.1	201	PLANT_O&M	COMMODITY	P&G_PT_O&MxAGS-E	-	-	DEMAND	TRAN_PTxAGS-D
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
150 Subtotal - O&M Accounts 928-935									
151 TOTAL ADMINISTRATIVE & GENERAL E:		40,234							
152 TOTAL OPERATING EXPENSES (Excl De		105,499							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 81 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	DISTRIBUTION		ONSITE	
					Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	225	ONSITE	-	-	-	CUST	Acct901-903,908
115 Meter Reading Expenses	902	587	ONSITE	-	-	-	CUST	Acct901-903,908
116 Customer Records & Collection Expense	903	10,270	ONSITE	-	-	-	CUST	Acct901-903,908
117 Uncollectible Accounts	904	25,050	ONSITE	-	-	-	CUST	Account904
118 Miscellaneous Customer Accounts Expens	905	0	-	-	-	-	-	-
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132						
III. CUSTOMER SERVICE & INFORMATIONAL								
120 Operation Supervision	907	0	-	-	-	-	-	-
121 Customer Assist- Other	908	509	DIST	CUST	-	Acct901-903,908	-	-
122 Other Customer Service & Informational Expenses	910	698	DIST	CUST	-	Account910	-	-
123 Supervision	911	0	-	-	-	-	-	-
124 Demonstration	912	660	DIST	CUST	-	Account911-916	-	-
125 Advertising expense	913	24	DIST	CUST	-	Account911-916	-	-
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL		1,891						
127 TOTAL CUSTOMER ACCOUNTS, SERVICE		38,024						
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	5,940	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
129 Administrative & General Salaries - Direct /	920 DA	550	LABOR	DISTLABOR	AGS Direct	AGS Direct	CUST	AGS Direct
130 Office Supplies & Expenses	921	817	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
131 Outside Services Employed - Resid.	923	180	LABOR	DISTLABOR	RS Direct	RS Direct	CUST	RS Direct
132 Outside Services Employed - Labor	923L	3,637	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
133 Injuries & Damages	925Labor	338	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
134 Employee Pensions and Benefits	926	5,725	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
135 Rents	931	4,025	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
136 Subtotal - O&M Accounts 920-923, 925L, 9		21,213						
B. Plant-Related:								
137 Property Insurance	924	335	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
138 Outside Services Employed-plant	923p	135	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
139 Injuries & Damages	925Plant	4,130	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	DISTPT_GEN	DISTPT_GEN-D	DISTPT_GEN-C	CUST	ONSITEPT_GEN-C
141 Misc. Maintenance Expense - Direct Assign	932 DA	50	GENERAL PT	DISTPT_GEN	AGS Direct	AGS Direct	CUST	AGS Direct
142 Subtotal - O&M Accounts 924-925P		5,879						
C. Other-Related:								
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
144 Outside Services Employed-cust	923c	5,083	DIST	CUST	-	Cust_Avg	-	-
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
146 Outside Services Employed-plant-O&M - D	923p-om DA	200	PLANT_O&M	DIST_PT_O&M	AGS Direct	AGS Direct	CUST	AGS Direct
147 Regulatory Commission Expenses	928	517	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&MxAGS-D	DIST_PT_O&MxAGS-C	CUST	Onsi_PT_O&MxAGS-C
148 General Advertising Expense	930.1	201	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&MxAGS-D	DIST_PT_O&MxAGS-C	CUST	Onsi_PT_O&MxAGS-C
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	DISTPT_GEN	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
150 Subtotal - O&M Accounts 928-935								
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		40,234						
152 TOTAL OPERATING EXPENSES (Excl De		105,499						

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 82 OF 86

Account	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
Description									
V. DEPRECIATION EXPENSE									
153 Intangible Plant	180Int	2,439	INTANG_PT	PRDGTHPT	PRDGTHPT-E	DEMAND	DR_RATEBAS	DEMAND	RAN_RATEBASE-I
154 Production & Gathering Plant - Direct Assig	180ProdGth DA	631	PRODGATH_PT	COMMODITY	AGS Direct	-	-	-	-
155 Local Storage Plant	180Stor	0	-	-	-	-	-	-	-
156 Transmission Plant	180Trans	9	TRANS	-	-	-	-	DEMAND	Peak
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	-	-	-	-	DEMAND	AGS Direct
158 Mains (Distribution)	180Mains	6,999	DIST	-	-	-	-	-	-
159 Services	180Services	5,815	DIST	-	-	-	-	-	-
160 Meters	180Meters	796	ONSITE	-	-	-	-	-	-
161 Distr Other	180Dist	2,003	DIST_xMSM	-	-	-	-	-	-
162 General Plant	180Gen	4,071	GENERAL_PT	PRDGTHPT	P&G_PT_GEN-E	-	-	DEMAND	TRAN_PT_GEN-D
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	PRDGTHPT	AGS Direct	-	-	DEMAND	AGS Direct
164 Adjustments		0	-	-	-	-	-	-	-
165 TOTAL DEPRECIATION EXPENSE	403	23,471							
		0	-	-	-	-	-	-	-
VI. TAXES									
A. General Taxes		0	-	-	-	-	-	-	-
166 PA PUC Assessment		1,139	DIST	-	-	-	-	-	-
167 Local property taxes		63	PLANTxAGS	-	-	-	-	DEMAND	Peak
168 Public utility reality tax		519	PLANTxAGS	-	-	-	-	DEMAND	Peak
169 State capital stock tax		447	RATEBASE	PRDGTHBASE	PRDGTHPT-E	STORBASE	Storage	TRANBASE	Peak
170 Miscellaneous tax		17	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
171 Subtotal- Taxes Other Than Income Taxes	408	2,186							
B. Income Tax Expense									
172 State income Tax expense		(1,009)	Pre-Tax	PreTax-PRDGTH	PreTax-PRDGTH-E	PreTax-STOR	PreTax-Stor-D	DEMAND	PreTax-Tran-D
173 Federal Income Tax expense		5,363	Pre-Tax	PreTax-PRDGTH	PreTax-PRDGTH-E	PreTax-STOR	PreTax-Stor-D	DEMAND	PreTax-Tran-D
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	-	-	-	-	-	-
175 Subtotal- Income tax expense		4,348							
176 TOTAL TAX EXPENSE		6,534							
177 TOTAL EXPENSES									
3. REVENUES at Present Rates									
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	COMMODITY	Delivery_Rev	DEMAND	Delivery_Rev	DEMAND	Delivery_Rev
179 Forfeited Discounts		1,558	ONSITE	-	-	-	-	-	-
180 Miscellaneous Service Revenue		1,209	ONSITE	-	-	-	-	-	-
181 Other Operating Revenue		61	DIST	-	-	-	-	-	-
182 Subtotal- Gas Revenues, net		157,693							
183 TOTAL REVENUE									
184 TOTAL EXPENSES									
185 NET INCOME at Present Rates									

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 83 OF 85

Account	Account	Total	Functional	Classification	Demand	Customer	Classification	Customer
Description		Dollars	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
V. DEPRECIATION EXPENSE								
153 Intangible Plant	180Int	2,439	INTANG_PT	DISTPT_INT	DISTPT-D_INT	DISTPT-C_INT	CUST	ONSITEPT-C_INT
154 Production & Gathering Plant - Direct Assign	180ProdGth DA	631	PRODGATH_PT	-	-	-	-	-
155 Local Storage Plant	180Stor	0	-	-	-	-	-	-
156 Transmission Plant	180Trans	9	TRANS	-	-	-	-	-
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	-	-	-	-	-
158 Mains (Distribution)	180Mains	6,999	DIST	MAINS	DISTMAIN-D	Cust_Avg	-	-
159 Services	180Services	5,815	DIST	CUST	-	Service_Invest	-	-
160 Meters	180Meters	796	ONSITE	-	-	-	CUST	Meter_Invest
161 Distr Other	180Dist	2,003	DIST_xMSM	DISTPT_xMSM	DISTPT-DxMSM	DISTPT-CxMSM	CUST	ONSITE-CxMSM
162 General Plant	180Gen	4,071	GENERAL_PT	DISTPT_GEN	DISTPT_GEN-D	DISTPT_GEN-C	CUST	ONSITEPT_GEN-C
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	-	-	-	-	-
164 Adjustments		0	-	-	-	-	-	-
165 TOTAL DEPRECIATION EXPENSE	403	23,471						
		0	-	-	-	-	-	-
VI. TAXES								
A. General Taxes								
		0	-	-	-	-	-	-
166 PA PUC Assessment		1,139	DIST	CUST	-	Delivery_RevxAGS	-	-
167 Local property taxes		63	PLANTxAGS	DISTPT	TOTALPLANTxAGS	TOTALPLANTxAGS	CUST	ONSITEPT-C
168 Public utility reality tax		519	PLANTxAGS	DISTPT	TOTALPLANTxAGS	TOTALPLANTxAGS	CUST	ONSITEPT-C
169 State capital stock tax		447	RATEBASE	DISTBASE	DISTPT-D	RATEBASExAGS	CUST	ONSITEPT-C
170 Miscellaneous tax		17	PRODGATH	-	-	-	-	-
171 Subtotal- Taxes Other Than Income Taxes	408	2,186						
B. Income Tax Expense								
172 State Income Tax expense		(1,009)	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
173 Federal Income Tax expense		5,363	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
175 Subtotal- Income tax expense		4,348						
176 TOTAL TAX EXPENSE		6,534						
177 TOTAL EXPENSES								
3. REVENUES at Present Rates								
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	RevReq_PF-Dist	Delivery_Rev	Delivery_Rev	CUST	Delivery_Rev
179 Forfeited Discounts		1,558	ONSITE	-	-	-	CUST	Account904
180 Miscellaneous Service Revenue		1,209	ONSITE	-	-	-	CUST	Misc_Ser_Rev
181 Other Operating Revenue		61	DIST	CUST	-	Delivery_RevxAGS	-	-
182 Subtotal- Gas Revenues, net		157,693						
183 TOTAL REVENUE								
184 TOTAL EXPENSES								
185 NET INCOME at Present Rates								

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5-1(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 84 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
Working Capital Subreport									
207 Accounts Receivable- Gas		0	-	-	-	-	-	-	-
208 Accounts Receivable- Other		0	-	-	-	-	-	-	-
209 Accrued Gas Revenues		0	-	-	-	-	-	-	-
210 Accounts Receivable, Total		0							
211 Gas, LNG in Storage		0	-	-	-	-	-	-	-
212 Inventories & Other, Total		0							
213 Accounts Payable, Natural Gas		3,330	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
214 Accounts Payable, Other- Labor		2,867	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	Peak
215 Accounts Payable, Other- O&MxGas		5,395	O&MxGas	COMMODITY	Gas_Deliveries	-	-	DEMAND	Peak
216 Accounts Payable, Total		11,592							
217 Accrued interest		(1,083)	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak
218 Other, net		826	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak
219 Defd Items & Other, Total		(257)							
220 Total Working Capital		11,335							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 85 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
Working Capital Subreport								
207 Accounts Receivable- Gas		0	-	-	-	-	-	-
208 Accounts Receivable- Other		0	-	-	-	-	-	-
209 Accrued Gas Revenues		0	-	-	-	-	-	-
210 Accounts Receivable, Total		0						
211 Gas, LNG in Storage		0	-	-	-	-	-	-
212 Inventories & Other, Total		0						
213 Accounts Payable, Natural Gas		3,330	PRODGATH	-	-	-	-	-
214 Accounts Payable, Other- Labor		2,887	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
215 Accounts Payable, Other- O&MxGas		5,395	O&MxGas	DISTO&MxGas	DISTO&MXGAS-D	INSITEO&MxGASxAGS-	CUST	ONSITEO&MxGASxAGS-
216 Accounts Payable, Total		11,592						
217 Accrued interest		(1,083)	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
218 Other, net		826	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
219 Defd Items & Other, Total		(257)						
220 Total Working Capital		11,335						

EQUITABLE COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 1 OF 85

	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
<u>Revenues at Current Rates</u>					
1 Operating Revenue	157,631	108,258	14,584	29,463	5,326
2 Other revenue / Adjustments	<u>61</u>	<u>43</u>	<u>6</u>	<u>12</u>	<u>0</u>
3 Net revenues	157,693	108,301	14,590	29,475	5,326
<u>Operating Expenses</u>					
4 Operations, Customer, A&G	105,498	77,115	6,699	15,454	6,230
5 Depreciation expense	23,471	15,836	1,211	4,909	1,515
6 Taxes other than income	<u>2,186</u>	<u>1,473</u>	<u>180</u>	<u>514</u>	<u>18</u>
7 Operating expenses	131,155	94,425	8,091	20,877	7,763
8 Income tax expense	<u>4,348</u>	<u>2,996</u>	<u>435</u>	<u>792</u>	<u>125</u>
9 Total Operating Expenses	135,503	97,421	8,526	21,669	7,888
10					
11 Income at Present Rates	<u>22,190</u>	<u>10,880</u>	<u>6,065</u>	<u>7,806</u>	<u>(2,562)</u>
12 Rate Base	<u>583,253</u>	<u>375,445</u>	<u>35,632</u>	<u>133,878</u>	<u>38,297</u>
13 Return on Rate Base at Present Rates	<u>3.80%</u>	<u>2.90%</u>	<u>17.02%</u>	<u>5.83%</u>	<u>(6.69%)</u>
14 Revenue Requirement at Full Cost of Service	209,642	145,340	12,818	38,639	12,844
15 Operating expenses	131,155	94,425	8,091	20,877	7,763
16 Income tax expense	25,531	16,435	1,560	5,860	1,676
17 Additional expenses	<u>1,103</u>	<u>1,103</u>	<u>0</u>	<u>0</u>	<u>0</u>
18	157,790	111,963	9,651	26,737	9,440
19 Income at Full Cost of Service	<u>51,852</u>	<u>33,377</u>	<u>3,168</u>	<u>11,902</u>	<u>3,405</u>
20 Return on Rate Base at Full Cost of Service	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>	<u>8.89%</u>
21 Revenue INCREASE (DECREASE) to Achieve Full Cost of Service	<u>51,949</u>	<u>37,039</u>	<u>(1,772)</u>	<u>9,164</u>	<u>7,518</u>

EQUITABLE COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 2 OF 85

	<u>Total</u>	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
REV. REQ. BY FUNCTIONAL CLASSIFICATION- TOTAL					
PRODUCTION & GATHERING					
1 Commodity Component	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
2	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
STORAGE					
3 Demand Component	<u>10,033</u>	<u>8,556</u>	<u>985</u>	<u>491</u>	<u>0</u>
4	<u>10,033</u>	<u>8,556</u>	<u>985</u>	<u>491</u>	<u>0</u>
TRANSMISSION					
5 Demand Component	<u>3,859</u>	<u>224</u>	<u>32</u>	<u>154</u>	<u>3,449</u>
6	<u>3,859</u>	<u>224</u>	<u>32</u>	<u>154</u>	<u>3,449</u>
DISTRIBUTION					
7 Demand Component	<u>81,062</u>	<u>43,169</u>	<u>6,220</u>	<u>31,324</u>	<u>348</u>
8 Customer Component	<u>38,706</u>	<u>34,974</u>	<u>1,844</u>	<u>1,796</u>	<u>93</u>
9	<u>119,767</u>	<u>78,143</u>	<u>8,064</u>	<u>33,120</u>	<u>440</u>
ONSITE					
10 Customer Component	<u>65,966</u>	<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>
11	<u>65,966</u>	<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>
TOTAL REVENUE REQUIREMENT					
12 Demand Component	<u>94,953</u>	<u>51,949</u>	<u>7,238</u>	<u>31,969</u>	<u>3,797</u>
13 Commodity Component	<u>10,017</u>	<u>788</u>	<u>128</u>	<u>438</u>	<u>8,662</u>
14 Customer Component	<u>104,671</u>	<u>92,602</u>	<u>5,453</u>	<u>6,232</u>	<u>385</u>
15 Total	<u>209,641</u>	<u>145,340</u>	<u>12,818</u>	<u>38,639</u>	<u>12,844</u>
16 Increase (Decrease) for Full COS	<u>51,949</u>	<u>37,039</u>	<u>(1,772)</u>	<u>9,164</u>	<u>7,518</u>

EQUITABLE GAS COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.53 PER 1000 BTU
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 3 OF 85

		<u>Total</u>	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
REV. REQ. BY FUNCTIONAL CLASSIFICATION- UNITIZED						
PRODUCTION & GATHERING						
17	Commodity Component	\$ / mcf	\$0.04	\$0.03	\$0.02	\$0.60
STORAGE						
18	Demand Component	\$ / mcf-month	\$1,303.20	\$1,037.68	\$109.53	\$0.00
TRANSMISSION						
19	Demand Component	\$ / mcf-month	\$34.13	\$34.06	\$34.23	\$0.24
DISTRIBUTION						
20	Demand Component	\$ / mcf-month	\$6,575.26	\$6,549.97	\$6,984.31	\$0.02
21	Customer Component	\$ / cust-month	\$12.18	\$9.66	\$81.20	\$0.01
ONSITE						
22	Customer Component	\$ / cust-month	\$20.07	\$18.91	\$200.58	\$0.02
TOTAL REVENUE REQUIREMENT						
23	Demand Component	\$ / mcf-month	\$7,912.59	\$7,621.71	\$7,128.07	\$0.26
24	Commodity Component	\$ / mcf	\$0.04	\$0.03	\$0.02	\$0.60
25	Customer Component	\$ / cust-month	\$32.25	\$28.57	\$281.78	\$0.03
26	Demand Allocator %	100% Peak&Avg	55%	8%	37%	0%
27	Commodity Allocator X 1000	61,075 Gas_Deliver_w/AGS	22,187	3,805	20,639	14,444
28	Customer Allocator X 1000	3,084 Bills_All	2,871	191	22	-

EQUITABLE COMPANY
DOCKET NO. 008-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 4 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE						
I. GAS PLANT IN SERVICE						
A. INTANGIBLE PLANT						
1 Organization	301	50	32	3	11	3
2 Intangible Plant - Software- Labor	303Lab	3,342	2,153	286	630	274
3 Intangible Plant - Software- Customer	303Cust	2,743	2,553	170	20	0
4 Intangible Plant - Software- Plant	303Plt	2,485	1,651	139	696	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	14,549	967	112	0
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248	20,938	1,564	1,469	277
B. PRODUCTION & GATHERING PLANT						
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	0	0	0	28,445
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445	0	0	0	28,445
C. STORAGE PLANT						
9 Storage Plant	360-368	0	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0	0	0	0	0
D. TRANSMISSION PLANT						
11 Transmission plant	365-370	106	58	8	40	0
12 Transmission - Mains	367	1,243	680	98	464	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	0	0	0	14,171
14 Transmission - Mains - Direct Assign.	367 DA	16,830	0	0	0	16,830
15 Subtotal - TRANSMISSION PLANT	365-370	32,350	738	107	504	31,001
E. DISTRIBUTION PLANT						
16 Land and Land Rights	374	1,893	1,274	108	510	0
17 Land and Land Rights - Direct Assign.	374 DA	584	0	0	584	0
18 Structures and Improvements	375	2,111	1,421	120	569	0
19 Mains	376	457,729	250,431	36,224	171,074	0
20 Mains - Direct Assign.	376 DA	10,267	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	8,823	1,276	6,027	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	244	35	167	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	0	0	0	0
25 Services	380	226,432	213,758	2,209	10,465	0
26 Meters	381	17,775	12,344	1,821	3,610	0
27 Meter Installations	382	9,208	6,395	943	1,870	0
28 House Regulators	383	5,656	3,852	865	939	0
29 House Regulator Installations	384	1,514	1,031	231	251	0
30 Ind. Meas. & Reg. Station Equip.	385	441	0	0	441	0
31 Property on Customers' Premises	386	15,838	14,394	356	1,087	0
32 Other Equipment	387	324	0	324	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793	513,968	44,513	209,312	0

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 5 OF 85

Account Description	Account Code	Total Allocated Dollars	TOTAL Class Allocation			
			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT						
34 Land and Land Rights	389	78	50	4	21	3
35 Structures and Improvements	390	7,842	5,032	446	2,095	269
36 Structures and Improvements - Direct Assign.	390 DA	67	0	0	0	67
37 Office Furniture and Equipment	391	12,224	7,844	694	3,266	420
38 Office Furniture and Equipment - Direct Assign.	391 DA	2	0	0	0	2
39 Transportation Equipment	392	10,288	6,601	584	2,749	353
40 Stores Equipment	393	47	30	3	13	2
41 Tools & Garage Equipment	394	4,271	2,741	243	1,141	147
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	0	0	0	26
43 Laboratory Equipment	395	0	0	0	0	0
44 Power Operated Equipment	396	3,155	2,024	179	843	108
45 Communication Equipment	397	6,923	4,442	393	1,850	238
46 Communication Equipment - Direct Assign.	397 DA	6	0	0	0	6
47 Miscellaneous Equipment	398	32	21	2	9	1
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	0	0	156	0
49 Subtotal - GENERAL PLANT	389-399	45,118	28,785	2,549	12,143	1,641
50 TOTAL UTILITY PLANT		897,955	564,429	48,733	223,428	61,365
II. DEPRECIATION RESERVE						
51 Intangible Plant	108	8,236	7,111	531	499	95
52 Production & Gathering Plant	108.2	0	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	0	0	0	8,153
54 Local Storage Plant	108.3	0	0	0	0	0
55 Transmission Plant	108.4	658	360	52	246	0
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	0	0	0	11,969
57 Mains	109	130,432	69,796	10,096	50,540	0
58 Services	109	83,524	78,849	815	3,860	0
59 Meters	109	12,975	9,011	1,329	2,635	0
60 Distr Other	109	13,987	9,361	1,000	3,627	0
61 General Plant	109	19,396	12,446	1,102	5,183	666
62 General Plant - Direct Assign.	108.8 DA	21	0	0	0	21
63 TOTAL DEPRECIATION RESERVE	108	289,353	186,934	14,925	66,590	20,904
III. OTHER RATE BASE ITEMS						
64 Materials and Supplies		887	569	50	237	30
65 Current Gas Storage		75,176	64,111	7,384	3,681	0
66 Prepayments		234	172	14	35	13
67 Deferred Income Taxes - Depreciation		(102,286)	(68,224)	(5,973)	(28,090)	0
68 Deferred Income Taxes - Direct Assign.		(2,423)	0	0	0	(2,423)
69 Deferred ITC		(4,903)	(3,270)	(286)	(1,346)	0
70 Customer Deposits		(3,370)	(2,775)	(209)	(385)	0
71 TOTAL OTHER RATE BASE ITEMS		(36,684)	(9,417)	981	(25,868)	(2,380)
72 TOTAL RATE BASE (Excl. Working Capital)		571,917	368,078	34,788	130,970	38,081
73 Working Capital	131	11,335	7,367	844	2,908	216
74 TOTAL RATE BASE		583,253	375,445	35,632	133,878	38,297

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (18)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 6 OF 85

TOTAL Class Allocation						
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES						
I. OPERATION & MAINTENANCE EXPENSE						
A. PRODUCTION & GATHERING EXPENSES						
75 Operations Expense	750-756	1,043	0	0	0	1,043
76 Maintenance Expense	761-765	1,766	0	0	0	1,766
77 Subtotal - Production and Gathering	750-765	2,809	0	0	0	2,809
B. OTHER GAS SUPPLY EXPENSES						
78 Natural gas field line purchases	801	0	0	0	0	0
79 Natural gas transmission line purchases	803	0	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	0	0	0	0
81 Other Natural Gas Purchases	805	0	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	0	0	0	0
84 Gas Withdrawn from Storage	808	0	0	0	0	0
85 Gas Delivered to Storage	808	0	0	0	0	0
86 Other Gas Supply Expense	813	391	279	44	68	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391	279	44	68	0
C. NATURAL GAS STORAGE						
88 LNG Operating Exp Admin	840	0	0	0	0	0
89 Operating Exp- Admin	850	0	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0	0	0	0	0
D. TRANSMISSION EXPENSES						
91 Transmission expenses	856-863					
92 Subtotal- Transmission Expenses	856-863	0	0	0	0	0
E. DISTRIBUTION EXPENSES						
93 Operation Supv & Engineering	870	1,773	1,180	105	488	0
94 Load Dispatching	871	112	53	9	50	0
95 Compressor Station Fuel and Power	873	0	0	0	0	0
96 Mains and Services Expenses	874	5,088	3,319	275	1,373	120
97 Meas. & Reg. Station Expense General	875	100	55	8	37	0
98 Meas. & Reg. Station Expense Industrial	876	0	0	0	0	0
99 Meter & House Regulator Expenses	878	6,062	4,193	685	1,184	0
100 Customer Installation Expense	879	62	62	0	0	0
101 Other Expenses - Safety and Environmental	880	632	359	45	157	71
102 Other Expenses	880	650	417	54	179	0
103 Distribution Rents	881	602	400	36	166	0
104 Maint. Supervision & Engineering	885	885	500	94	291	0
105 Maintenance of Structures & Improvements	886	516	343	29	144	0
106 Maint. of Mains	887	5,521	2,955	427	2,139	0
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	652	94	445	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	6	1	4	0
109 Maint. of Services	892	663	626	6	31	0
110 Maint. of Meters & House Regulators	893	107	74	12	21	0
111 Maintenance of Other Equipment	894	67	45	4	19	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042	15,238	1,884	6,728	191
113 TOTAL OPERATION & MAINTENANCE EXPENSES		27,242	15,517	1,929	6,795	3,000

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 7 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES						
114 Customer Service - Administrative	901	225	210	14	2	0
115 Meter Reading Expenses	902	587	546	36	4	0
116 Customer Records & Collection Expense	903	10,270	9,561	636	74	0
117 Uncollectible Accounts	904	25,050	23,515	540	995	0
118 Miscellaneous Customer Accounts Expenses	905	0	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132	33,832	1,225	1,075	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES						
120 Operation Supervision	907	0	0	0	0	0
121 Customer Assist- Other	908	509	474	32	4	0
122 Other Customer Service & Informational Expense	910	698	698	0	0	0
123 Supervision	911	0	0	0	0	0
124 Demonstration	912	660	0	591	68	0
125 Adversiting expense	913	24	0	22	3	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891	1,172	644	75	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPEN		38,024	35,004	1,870	1,149	0
IV. ADMINISTRATIVE & GENERAL EXPENSES						
A. Labor-Related:						
128 Administrative & General Salaries	920	5,940	3,846	511	1,134	449
129 Administrative & General Salaries - Direct Assign.	920 DA	550	0	0	0	550
130 Office Supplies & Expenses	921	817	529	70	156	62
131 Outside Services Employed - Resid.	923	180	180	0	0	0
132 Outside Services Employed - Labor	923L	3,637	2,355	313	695	275
133 Injuries & Damages	925Labor	338	219	29	65	26
134 Employee Pensions and Benefits	926	5,725	3,707	492	1,093	433
135 Rents	931	4,025	2,606	346	769	304
136 Subtotal - O&M Accounts 920-923, 925L, 926		21,213	13,442	1,761	3,911	2,098
B. Plant-Related:						
137 Property Insurance	924	335	215	19	90	12
138 Outside Services Employed-plant	923p	135	87	8	36	5
139 Injuries & Damages	925Plant	4,130	2,650	235	1,104	142
140 Misc. Maintenance Expense	932	1,228	784	69	331	45
141 Misc. Maintenance Expense - Direct Assign.	932 DA	50	0	0	0	50
142 Subtotal - O&M Accounts 924-925P		5,879	3,736	331	1,560	253
C. Other-Related:						
143 Administrative Expenses Transferred	922	(37)	(22)	(2)	(9)	(3)
144 Outside Services Employed-cust	923c	5,083	4,732	315	36	0
145 Outside Services Employed-plant-O&M	923p-om	7,021	4,143	436	1,775	688
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	200	0	0	0	200
147 Regulatory Commission Expenses	928	517	336	37	144	0
148 General Advertising Expense	930.1	201	131	14	56	0
149 Miscellaneous General Expenses	930.2	156	96	9	37	15
150 Subtotal - O&M Accounts 928-935		13,142	9,416	808	2,038	879
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		40,234	26,594	2,901	7,509	3,230
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Sup)		105,499	77,115	6,699	15,454	6,230

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9-1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 8 OF 85

Account Description	Account Code	Total Allocated Dollars	TOTAL Class Allocation			
			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE						
153 Intangible Plant	180Int	2,439	2,106	157	148	28
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	0	0	0	631
155 Local Storage Plant	180Stor	0	0	0	0	0
156 Transmission Plant	180Trans	9	5	1	3	0
157 Transmission Plant - Direct Assign.	180Trans DA	704	0	0	0	704
158 Mains (Distribution)	180Mains	6,999	3,745	542	2,712	0
159 Services	180Services	5,815	5,489	57	269	0
160 Meters	180Meters	796	553	82	162	0
161 Distr Other	180Dist	2,003	1,340	143	519	0
162 General Plant	180Gen	4,071	2,598	230	1,096	148
163 General Plant - Direct Assign.	180Gen DA	4	0	0	0	4
164 Adjustments		0	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	23,471	15,836	1,211	4,909	1,515
VI. TAXES						
A. General Taxes						
166 PA PUC Assessment		1,139	805	111	224	0
167 Local property taxes		63	42	4	17	0
168 Public utility reality tax		519	349	31	139	0
169 State capital stock tax		447	269	33	127	18
170 Miscellaneous tax		17	8	1	8	0
171 Subtotal- Taxes Other Than Income Taxes	408	2,186	1,473	180	514	18
B. Income Tax Expense						
172 State Income Tax expense		(1,009)	(696)	(101)	(184)	(29)
173 Federal Income Tax expense		5,363	3,696	536	977	154
174 Investment Tax Credit - Amortization		(6)	(4)	(1)	(1)	(0)
175 Subtotal- Income tax expense		4,348	2,996	435	792	125
176 TOTAL TAX EXPENSE		6,534	4,469	615	1,306	143
177 TOTAL EXPENSES		135,504	97,421	8,526	21,669	7,888
3. REVENUES at Present Rates						
178 Sales and Transport Revenue	480-483	154,865	105,632	14,510	29,396	5,326
179 Forfeited Discounts		1,558	1,462	34	62	0
180 Miscellaneous Service Revenue		1,209	1,163	40	5	0
181 Other Operating Revenue		61	43	6	12	0
182 Subtotal- Gas Revenues, net		157,693	108,301	14,590	29,475	5,326
183 TOTAL REVENUE		157,693	108,301	14,590	29,475	5,326
184 TOTAL EXPENSES		135,504	97,421	8,526	21,669	7,888
185 NET INCOME at Present Rates		22,189	10,880	6,065	7,806	(2,562)

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (b)(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 9 OF 85

		TOTAL Class Allocation				
Account Description	Account Code	Total Allocated Dollars	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY						
186	Total revenues	157,693	108,301	14,590	29,475	5,328
187	Total Operating Expenses	105,499	77,115	6,699	15,454	6,230
188	Depreciation Expense	23,471	15,836	1,211	4,909	1,515
189	Taxes other than Income	2,186	1,473	180	514	18
190	Total Other Expenses	25,657	17,309	1,392	5,423	1,533
191	Income tax expense	4,348	2,996	435	792	125
192	Total expenses	135,504	97,421	8,526	21,669	7,888
193	NET INCOME at Present Rates	22,189	10,880	6,065	7,806	(2,562)
194	Total Rate Base	583,253	375,445	35,632	133,878	38,297
195						
REVENUE REQUIREMENTS						
196	Target ROR	8.89%	8.89%	8.89%	8.89%	8.89%
197	Using Target for System					
198	Rate Base	583,253	375,445	35,632	133,878	38,297
199	Operating expenses	105,499	77,115	6,699	15,454	6,230
200	Depreciation expense	23,471	15,836	1,211	4,909	1,515
201	Taxes other than Income	2,186	1,473	180	514	18
202	Operating expenses to recover	131,156	94,425	8,091	20,877	7,763
203	Target Return on Rate Base- After taxes	51,851	33,377	3,168	11,902	3,405
204	Income taxes to recover	21,183	25,531	1,560	5,860	1,676
205	Additional expenses		1,103	0	0	0
206	TOTAL REVENUE REQUIREMENT	209,642	145,340	12,818	38,639	12,844
	Effective tax rate	32.99%	32.99%	32.99%	32.99%	32.99%
	Class Actual RORs	3.80%	2.90%	17.02%	5.83%	(6.69%)

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5-1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 10 OF 85

Account Description	Account Code	Total Allocated Dollars	TOTAL Class Allocation			
			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>						
207 Accounts Receivable- Gas		0	0	0	0	0
208 Accounts Receivable- Other		0	0	0	0	0
209 Accrued Gas Revenues		0	0	0	0	0
210 Accounts Receivable, Total		0	0	0	0	0
211 Gas, LNG in Storage		0	0	0	0	0
212 Inventories & Other, Total		0	0	0	0	0
213 Accounts Payable, Natural Gas		3,330	1,585	272	1,474	0
214 Accounts Payable, Other- Labor		2,867	1,860	247	550	210
215 Accounts Payable, Other- O&MxGas		5,395	4,088	340	953	15
216 Accounts Payable, Total		11,592	7,532	859	2,977	225
217 Accrued interest		(1,083)	(695)	(62)	(289)	(37)
218 Other, net		826	530	47	221	28
219 Defd Items & Other, Total		(257)	(165)	(15)	(69)	(9)
220 Total Working Capital		11,335	7,367	844	2,908	216

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B) IV
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 11 OF 85

			FUNCTIONALIZATION					
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
1. RATE BASE								
I. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT								
1 Organization	301	50	RATEBASE	2	6	2	36	4
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	266	0	8	1,514	1,554
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	0	0	0	0	2,743
4 Intangible Plant - Software- Plant	303Plt	2,485	DIST	0	0	0	2,485	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	0	0	0	0	15,628
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248		268	6	10	4,035	19,928
B. PRODUCTION & GATHERING PLANT								
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	28,445	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445		28,445	0	0	0	0
C. STORAGE PLANT								
9 Storage Plant	360-368	0	None	0	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	0
D. TRANSMISSION PLANT								
11 Transmission plant	365-370	106	TRANS	0	0	106	0	0
12 Transmission - Mains	367	1,243	TRANS	0	0	1,243	0	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	0	0	14,171	0	0
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	0	0	16,830	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	32,350		0	0	32,350	0	0
E. DISTRIBUTION PLANT								
16 Land and Land Rights	374	1,893	DIST	0	0	0	1,893	0
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	0	0	0	564	0
18 Structures and Improvements	375	2,111	DIST	0	0	0	2,111	0
19 Mains	376	457,729	DIST	0	0	0	457,729	0
20 Mains - Direct Assign.	376 DA	10,267	DIST	0	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	0	0	0	16,126	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	0	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	0	0	0	447	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	DIST	0	0	0	0	0
25 Services	380	226,432	DIST	0	0	0	226,432	0
26 Meters	381	17,775	ONSITE	0	0	0	0	17,775
27 Meter Installations	382	9,208	ONSITE	0	0	0	0	9,208
28 House Regulators	383	5,656	ONSITE	0	0	0	0	5,656
29 House Regulator Installations	384	1,514	ONSITE	0	0	0	0	1,514
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	0	0	0	0	441
31 Property on Customers' Premises	386	15,838	ONSITE	0	0	0	0	15,838
32 Other Equipment	387	324	DIST	0	0	0	324	0
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793		0	0	0	717,361	50,432

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 12 OF 85

FUNCTIONALIZATION								
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
F. GENERAL PLANT								
34 Land and Land Rights	389	78	PLANT	3	0	3	68	5
35 Structures and Improvements	390	7,842	PLANT	269	0	306	6,789	477
36 Structures and Improvements - Direct Assign.	390 DA	67	PLANT_AGS	42	0	25	0	0
37 Office Furniture and Equipment	391	12,224	PLANT	420	0	477	10,583	744
38 Office Furniture and Equipment - Direct Assign.	391 DA	2	PLANT_AGS	1	0	1	0	0
39 Transportation Equipment	392	10,288	PLANT	353	0	402	8,907	626
40 Stores Equipment	393	47	PLANT	2	0	2	41	3
41 Tools & Garage Equipment	394	4,271	PLANT	147	0	167	3,698	260
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	PLANT_AGS	16	0	10	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0	0
44 Power Operated Equipment	396	3,155	PLANT	108	0	123	2,732	192
45 Communication Equipment	397	6,923	PLANT	238	0	270	5,993	421
46 Communication Equipment - Direct Assign.	397 DA	6	PLANT_AGS	4	0	2	0	0
47 Miscellaneous Equipment	398	32	PLANT	1	0	1	28	2
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	PLANTxAGS	0	0	3	143	10
49 Subtotal - GENERAL PLANT	389-399	45,118		1,604	0	1,792	38,981	2,740
50 TOTAL UTILITY PLANT		897,955		30,317	6	34,152	760,378	73,101
II. DEPRECIATION RESERVE								
51 Intangible Plant	108	8,236	INTANG_PT	91	2	3	1,371	6,768
52 Production & Gathering Plant	108.2	0	PRODGATH	0	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	PRODGATH	8,153	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0	0
55 Transmission Plant	108.4	658	TRANS	0	0	658	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	TRANS	0	0	11,969	0	0
57 Mains	109	130,432	DIST	0	0	0	130,432	0
58 Services	109	83,524	DIST	0	0	0	83,524	0
59 Meters	109	12,975	ONSITE	0	0	0	0	12,975
60 Distr Other	109	13,987	DIST_xMSM	0	0	0	6,916	7,072
61 General Plant	109	19,396	PLANT	666	0	757	16,793	1,181
62 General Plant - Direct Assign.	108.8 DA	21	PLANT_AGS	13	0	8	0	0
63 TOTAL DEPRECIATION RESERVE	108	289,353		8,924	2	13,396	239,035	27,996
III. OTHER RATE BASE ITEMS								
64 Materials and Supplies		887	PLANT	30	0	35	768	54
65 Current Gas Storage		75,176	STOR	0	75,176	0	0	0
66 Prepayments		234	O&MxGas	13	0	1	97	122
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	0	0	(2,027)	(93,674)	(6,586)
68 Deferred Income Taxes - Direct Assign.		(2,423)	PLANT_AGS	(1,522)	0	(901)	0	0
69 Deferred ITC		(4,903)	PLANTxAGS	0	0	(97)	(4,490)	(316)
70 Customer Deposits		(3,370)	DIST	0	0	0	(3,370)	0
71 TOTAL OTHER RATE BASE ITEMS		(36,684)		(1,478)	75,176	(2,988)	(100,669)	(6,725)
72 TOTAL RATE BASE (Excl. Working Capital)		571,917		19,915	75,180	17,768	420,674	38,380
73 Working Capital	131	11,335		3,858	0	28	3,315	4,135
74 TOTAL RATE BASE		583,253		23,773	75,180	17,795	423,989	42,515

EQUITABLE COMPANY
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PRESENT RATES - PEAK AND AVG. METHOD
SHEET 13 OF 85

		FUNCTIONALIZATION							
	Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
2. EXPENSES									
I. OPERATION & MAINTENANCE EXPENSE									
A. PRODUCTION & GATHERING EXPENSES									
75	Operations Expense	750-756	1,043	PRODGATH	1,043	0	0	0	0
76	Maintenance Expense	761-765	1,766	PRODGATH	1,766	0	0	0	0
77	Subtotal - Production and Gathering	750-765	2,809		2,809	0	0	0	0
B. OTHER GAS SUPPLY EXPENSES									
78	Natural gas field line purchases	801	0	None	0	0	0	0	0
79	Natural gas transmission line purchases	803	0	None	0	0	0	0	0
80	Natural Gas City Gate Purchases	804	0	None	0	0	0	0	0
81	Other Natural Gas Purchases	805	0	None	0	0	0	0	0
82	Well Expenses - Purchased Gas	807	0	None	0	0	0	0	0
83	Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0	0
84	Gas Withdrawn from Storage	808	0	None	0	0	0	0	0
85	Gas Delivered to Storage	808	0	None	0	0	0	0	0
86	Other Gas Supply Expense	813	391	PRODGATH	391	0	0	0	0
87	Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391		391	0	0	0	0
C. NATURAL GAS STORAGE									
88	LNG Operating Exp Admin	840	0	None	0	0	0	0	0
89	Operating Exp- Admin	850	0	None	0	0	0	0	0
90	Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0	0
D. TRANSMISSION EXPENSES									
91	Transmission expenses	856-863	0	None	0	0	0	0	0
92	Subtotal- Transmission Expenses	856-863	0		0	0	0	0	0
E. DISTRIBUTION EXPENSES									
93	Operation Supv & Engineering	870	1,773	DIST_PT	0	0	0	1,656	116
94	Load Dispatching	871	112	PRODGATH	112	0	0	0	0
95	Compressor Station Fuel and Power	873	(0)	DIST	0	0	0	(0)	0
96	Mains and Services Expenses	874	5,088	4IN_SERV_TRANMA	0	0	129	4,959	0
97	Meas. & Reg. Station Expense General	875	100	DIST	0	0	0	100	0
98	Meas. & Reg. Station Expense Industrial	876	0	ONSITE	0	0	0	0	0
99	Meter & House Regulator Expenses	878	6,062	ONSITE	0	0	0	0	6,062
100	Customer Installation Expense	879	62	ONSITE	0	0	0	0	62
101	Other Expenses - Safety and Environmental	880	632	O&MxAcct880	81	0	3	377	172
102	Other Expenses	880	650	O&MxAcct880	83	0	3	387	177
103	Distribution Rents	881	602	DIST_PT	0	0	0	562	40
104	Maint. Supervision & Engineering	885	885	DIST	0	0	0	885	0
105	Maintenance of Structures & Improvements	886	518	DIST	0	0	0	516	0
106	Maint. of Mains	887	5,521	DIST	0	0	0	5,521	0
107	Maint Of Meas. & Reg. Station Expense General	889	1,192	DIST	0	0	0	1,192	0
108	Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	DIST	0	0	0	10	0
109	Maint. of Services	892	663	ONSITE	0	0	0	0	663
110	Maint. of Meters & House Regulators	893	107	ONSITE	0	0	0	0	107
111	Maintenance of Other Equipment	894	67	DIST	0	0	0	67	0
112	Subtotal - DISTRIBUTION EXPENSES	870-894	24,042		276	0	135	16,232	7,399
113	TOTAL OPERATION & MAINTENANCE EXPENSES		27,242		3,475	0	135	16,232	7,399

EQUITABLE COMPANY
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ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 14 OF 85

				FUNCTIONALIZATION					
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE	
II. CUSTOMER ACCOUNTS EXPENSES									
114 Customer Service - Administrative	901	225	ONSITE	0	0	0	0	225	
115 Meter Reading Expenses	902	587	ONSITE	0	0	0	0	587	
116 Customer Records & Collection Expense	903	10,270	ONSITE	0	0	0	0	10,270	
117 Uncollectible Accounts	904	25,050	ONSITE	0	0	0	0	25,050	
118 Miscellaneous Customer Accounts Expenses	905	0	ONSITE	0	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132		0	0	0	0	36,132	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES									
120 Operation Supervision	907	0	None	0	0	0	0	0	
121 Customer Assist- Other	908	509	DIST	0	0	0	509	0	
122 Other Customer Service & Informational Expense	910	698	DIST	0	0	0	698	0	
123 Supervision	911	0	DIST	0	0	0	0	0	
124 Demonstration	912	660	DIST	0	0	0	660	0	
125 Advertising expense	913	24	DIST	0	0	0	24	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891		0	0	0	1,891	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		38,024		0	0	0	1,891	36,132	
IV. ADMINISTRATIVE & GENERAL EXPENSES									
A. Labor-Related:									
128 Administrative & General Salaries	920	5,940	LABOR	473	0	15	2,690	2,762	
129 Administrative & General Salaries - Direct Assign.	920 DA	550	LABOR	44	0	1	249	256	
130 Office Supplies & Expenses	921	817	LABOR	65	0	2	370	380	
131 Outside Services Employed - Resid.	923	180	LABOR	14	0	0	81	84	
132 Outside Services Employed - Labor	923L	3,637	LABOR	290	0	9	1,647	1,691	
133 Injuries & Damages	925Labor	338	LABOR	27	0	1	153	157	
134 Employee Pensions and Benefits	926	5,725	LABOR	456	0	14	2,593	2,662	
135 Rents	931	4,025	LABOR	321	0	10	1,823	1,872	
136 Subtotal - O&M Accounts 920-923, 925L, 926		21,213		1,691	0	53	9,806	9,864	
B. Plant-Related:									
137 Property Insurance	924	335	PLANT	12	0	13	290	20	
138 Outside Services Employed-plant	923p	135	PLANT	5	0	5	117	8	
139 Injuries & Damages	925Plant	4,130	PLANT	142	0	161	3,576	251	
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	44	0	49	1,061	75	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	50	GENERAL PT	2	0	2	43	3	
142 Subtotal - O&M Accounts 924-925P		5,879		203	0	230	5,087	358	
C. Other-Related:									
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	(3)	0	(1)	(27)	(6)	
144 Outside Services Employed-cust	923c	5,083	DIST	0	0	0	5,083	0	
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	588	0	155	5,131	1,187	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	200	PLANT_O&M	16	0	4	146	33	
147 Regulatory Commission Expenses	928	517	PLANT_O&M	42	0	11	378	88	
148 General Advertising Expense	930.1	201	PLANT_O&M	16	0	4	147	33	
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	13	0	3	114	26	
150 Subtotal - O&M Accounts 928-935		13,142		652	0	177	10,972	1,340	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		40,234		2,546	0	461	25,666	11,561	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		105,499		8,022	0	596	43,789	55,092	

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 15 OF 85

Account Description	Account Code	Account Balance	Allocation Factor	FUNCTIONALIZATION				
				PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
V. DEPRECIATION EXPENSE								
153 Intangible Plant	180Int	2,439	INTANG_PT	27	1	1	406	2,005
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	PRODGATH_PT	631	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0	0
156 Transmission Plant	180Trans	9	TRANS	0	0	9	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	0	0	704	0	0
158 Mains (Distribution)	180Mains	6,999	DIST	0	0	0	6,999	0
159 Services	180Services	5,815	DIST	0	0	0	5,815	0
160 Meters	180Meters	796	ONSITE	0	0	0	0	796
161 Distr Other	180Dist	2,003	DIST_xMSM	0	0	0	990	1,012
162 General Plant	180Gen	4,071	GENERAL_PT	145	0	162	3,518	247
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	3	0	2	0	0
164 Adjustments		0	None	0	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	23,471		806	1	876	17,728	4,060
VI. TAXES								
A. General Taxes								
166 PA PUC Assessment		1,139	DIST	0	0	0	1,139	0
167 Local property taxes		63	PLANTxAGS	0	0	1	58	4
168 Public utility reality tax		519	PLANTxAGS	0	0	10	475	33
169 State capital stock tax		447	RATEBASE	18	58	14	325	33
170 Miscellaneous tax		17	PRODGATH	17	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	2,186		35	58	25	1,998	70
B. Income Tax Expense								
172 State Income Tax expense		(1,009)	Pre-Tax	(50)	(56)	(15)	(528)	(362)
173 Federal Income Tax expense		5,363	Pre-Tax	266	299	79	2,795	1,924
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	(0)	(0)	(0)	(3)	(2)
175 Subtotal- Income tax expense		4,348		216	242	64	2,266	1,560
176 TOTAL TAX EXPENSE		6,534		251	300	89	4,263	1,630
177 TOTAL EXPENSES		135,504		7,078	300	1,562	65,781	60,782
3. REVENUES at Present Rates								
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	7,399	7,411	2,851	88,474	48,730
179 Forfeited Discounts		1,558	ONSITE	0	0	0	0	1,558
180 Miscellaneous Service Revenue		1,209	ONSITE	0	0	0	0	1,209
181 Other Operating Revenue		61	DIST	0	0	0	61	0
182 Subtotal- Gas Revenues, net		157,693		7,399	7,411	2,851	88,535	51,497
183 TOTAL REVENUE		157,693		7,399	7,411	2,851	88,535	51,497
184 TOTAL EXPENSES		135,504		7,078	300	1,562	65,781	60,782
185 NET INCOME at Present Rates		22,189		321	7,111	1,288	22,754	(9,286)

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 16 OF 85

				FUNCTIONALIZATION				
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
SUMMARY								
186 Total revenues		157,693		7,399	7,411	2,851	88,535	51,497
187 Total Operating Expenses		105,499		6,022	0	596	43,789	55,092
188 Depreciation Expense		23,471		808	1	876	17,728	4,060
189 Taxes other than Income		<u>2,186</u>		<u>35</u>	<u>58</u>	<u>25</u>	<u>1,998</u>	<u>70</u>
190 Total Other Expenses		25,657		841	58	902	19,725	4,131
191 Income tax expense		4,348		216	242	64	2,268	1,560
192 Total expenses		135,504		7,078	300	1,562	65,781	60,782
193 NET INCOME at Present Rates		<u>22,189</u>		<u>321</u>	<u>7,111</u>	<u>1,288</u>	<u>22,754</u>	<u>(9,286)</u>
194 Total Rate Base		<u>583,253</u>		<u>23,773</u>	<u>75,180</u>	<u>17,795</u>	<u>423,989</u>	<u>42,515</u>
195								
REVENUE REQUIREMENTS								
196 Target ROR		8.89%		8.89%	8.89%	8.89%	8.89%	8.89%
197 Using Target for System								
198 Rate Base		583,253		23,773	75,180	17,795	423,989	42,515
199 Operating expenses		105,499		6,022	0	596	43,789	55,092
200 Depreciation expense		23,471		808	1	876	17,728	4,060
201 Taxes other than Income		<u>2,186</u>		<u>35</u>	<u>58</u>	<u>25</u>	<u>1,998</u>	<u>70</u>
202 Operating expenses to recover		131,156		6,862	58	1,498	63,515	59,222
203 Target Return on Rate Base- After taxes		51,851		2,113	6,684	1,562	37,693	3,780
204 Income taxes to recover		25,531		1,041	3,291	779	18,560	1,861
205 Additional expenses		1,103	ONSITE	0	0	0	0	1,103
206 TOTAL REVENUE REQUIREMENT		209,642		10,017	10,033	3,859	119,767	65,966

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 17 OF 85

FUNCTIONALIZATION

Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
Working Capital Subreport								
207 Accounts Receivable- Gas		0	None	0	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0	0
213 Accounts Payable, Natural Gas		3,330	PRODGATH	3,330	0	0	0	0
214 Accounts Payable, Other- Labor		2,867	LABOR	228	0	7	1,298	1,333
215 Accounts Payable, Other- O&MxGas		5,395	O&MxGas	308	0	31	2,239	2,818
216 Accounts Payable, Total		11,592		3,867	0	38	3,538	4,150
217 Accrued interest		(1,083)	PLANT	(37)	0	(42)	(938)	(66)
218 Other, net		826	PLANT	28	0	32	715	50
219 Defd Items & Other, Total		(257)		(9)	0	(10)	(223)	(16)
220 Total Working Capital		11,335		3,858	0	28	3,315	4,135

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.50 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
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				FUNCTIONALIZATION				
Account Description	Account Code	Account Balance	Allocation Factor	PRODUCTION & GATHERING	STORAGE	TRANSMISSION	DISTRIBUTION	ONSITE
LABOR REPORT								
		Labor \$	Labor %					
PRODUCTION AND GATHERING:								
221 Production and Gathering O&M	750-765	1,164	41%	1,164	0	0	0	0
222 Purchased Gas Expense	807	0	0%	0	0	0	0	0
223 Other Gas Supply Expense	813	0	0%	0	0	0	0	0
224 Sub Production		1,164		1,164	0	0	0	0
STORAGE:								
225 LNG Operating Exp Admin	840	0	0	0	0	0	0	0
226 Operating Exp- Admin	850	0	0	0	0	0	0	0
227 Sub Storage		0		0	0	0	0	0
TRANSMISSION:								
228 Transmission expenses	856-863	0	0%	0	0	0	0	0
229 Sub Transmission		0		0	0	0	0	0
DISTRIBUTION:								
230 Operation Supv & Engineering	870	1,251	71%	0	0	0	1,169	82
231 Load Dispatching	871	77	68%	77	0	0	0	0
232 Compressor Station Fuel and Power	873	0	0%	0	0	0	0	0
233 Mains and Services Expenses	874	1,527	30%	0	0	39	1,489	0
234 Meas. & Reg. Station Expense General	875	40	40%	0	0	0	40	0
235 Meas. & Reg. Station Expense Industrial	876	0	61%	0	0	0	0	0
236 Meter & House Regulator Expenses	878	2,825	47%	0	0	0	0	2,825
237 Customer Installation Expense	879	6	10%	0	0	0	0	6
238 Other Expenses - Safety and Environmental	880	172	27%	22	0	1	103	47
239 Other Expenses	880	177	27%	23	0	1	106	48
240 Maint. Supervision & Engineering	885	605	68%	0	0	0	605	0
241 Maintenance of Structures & Improvements	886	166	32%	0	0	0	166	0
242 Maint. of Mains	887	2,262	41%	0	0	0	2,262	0
243 Maint Of Meas. & Reg. Station Expense General	889	608	51%	0	0	0	608	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	7	69%	0	0	0	7	0
245 Maint. of Services	892	300	45%	0	0	0	0	300
246 Maint. of Meters & House Regulators	893	46	43%	0	0	0	0	46
247 Maintenance of Other Equipment	894	45	66%	0	0	0	45	0
248 Sub Distribution		10,116	43%	122	0	40	6,599	3,355
OnSite:								
249 Customer Service - Administrative	901	174	77%	0	0	0	0	174
250 Meter Reading Expenses	902	144	25%	0	0	0	0	144
251 Customer Records & Collection Expense	903	3,828	37%	0	0	0	0	3,828
252 Operation Supervision	907	0	0%	0	0	0	0	0
253 Customer Assist- Other	908	285	56%	0	0	0	285	0
254 Supervision	911	0	79%	0	0	0	0	0
255 Demonstration	912	420	64%	0	0	0	420	0
256 Sub OnSite		4,850		0	0	0	705	4,145
257 TOTAL:		16,130	16,130	1,285	0	40	7,304	7,500

NOTE: The Labor % above are applied to the functionally classified account balances.

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.55 - 1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
1. RATE BASE						
I. GAS PLANT IN SERVICE						
A. INTANGIBLE PLANT						
1 Organization	301	36	DISTBASE	26	0	10
2 Intangible Plant - Software- Labor	303Lab	1,514	DISTLABOR	1,252	0	261
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0
4 Intangible Plant - Software- Plant	303Plt	2,485	DISTPT	1,695	0	790
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	4,035		2,974	0	1,062
B. PRODUCTION & GATHERING PLANT						
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0
C. STORAGE PLANT						
9 Storage Plant	360-368	0	None	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0
D. TRANSMISSION PLANT						
11 Transmission plant	365-370	0	None	0	0	0
12 Transmission - Mains	367	0	None	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0
E. DISTRIBUTION PLANT						
16 Land and Land Rights	374	1,893	DISTOnlyPT	1,291	0	601
17 Land and Land Rights - Direct Assign.	374 DA	564	DEMAND	564	0	0
18 Structures and Improvements	375	2,111	DISTOnlyPT	1,440	0	671
19 Mains	376	457,729	MAINS	457,729	0	0
20 Mains - Direct Assign.	376 DA	10,267	DEMAND	10,267	0	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DEMAND	16,126	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DEMAND	1,469	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DEMAND	447	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0
25 Services	380	226,432	CUST	0	0	226,432
26 Meters	381	0	None	0	0	0
27 Meter Installations	382	0	None	0	0	0
28 House Regulators	383	0	None	0	0	0
29 House Regulator Installations	384	0	None	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	DEMAND	0	0	0
31 Property on Customers' Premises	386	0	DEMAND	0	0	0
32 Other Equipment	387	324	CUST	0	0	324
33 Subtotal - DISTRIBUTION PLANT	374-387	717,361		489,333	0	228,028

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
F. GENERAL PLANT						
34 Land and Land Rights	389	68	DISTPT	46	0	21
35 Structures and Improvements	390	6,789	DISTPT	4,631	0	2,158
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0
37 Office Furniture and Equipment	391	10,583	DISTPT	7,219	0	3,364
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0
39 Transportation Equipment	392	8,907	DISTPT	6,076	0	2,831
40 Stores Equipment	393	41	DISTPT	28	0	13
41 Tools & Garage Equipment	394	3,698	DISTPT	2,522	0	1,175
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0
43 Laboratory Equipment	395	0	DISTPT	0	0	0
44 Power Operated Equipment	396	2,732	DISTPT	1,863	0	868
45 Communication Equipment	397	5,993	DISTPT	4,088	0	1,905
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0
47 Miscellaneous Equipment	398	28	DISTPT	19	0	9
48 Miscellaneous Equipment - Direct Assign.	398 DA	143	DISTPT	97	0	45
49 Subtotal - GENERAL PLANT	389-399	38,981		26,590	0	12,391
50 TOTAL UTILITY PLANT		760,378		518,897	0	241,481
II. DEPRECIATION RESERVE						
51 Intangible Plant	108	1,371	DISTPT_INT	1,010	0	361
52 Production & Gathering Plant	108.2	0	None	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0
57 Mains	109	130,432	MAINS	130,432	0	0
58 Services	109	83,524	CUST	0	0	83,524
59 Meters	109	0	None	0	0	0
60 Distr Other	109	6,916	DISTPT_xMSM	6,435	0	481
61 General Plant	109	16,793	DISTPT	11,455	0	5,338
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	239,035		149,331	0	89,704
III. OTHER RATE BASE ITEMS						
64 Materials and Supplies		768	DISTPT	524	0	244
65 Current Gas Storage		0	None	0	0	0
66 Prepayments		97	DISTO&MxGas	65	0	32
67 Deferred Income Taxes - Depreciation		(93,674)	DISTPT	(63,898)	0	(29,776)
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0
69 Deferred ITC		(4,490)	DISTPT	(3,063)	0	(1,427)
70 Customer Deposits		(3,370)	CUST	0	0	(3,370)
71 TOTAL OTHER RATE BASE ITEMS		(100,669)		(66,372)	0	(34,297)
72 TOTAL RATE BASE (Excl. Working Capital)		420,674		303,194	0	117,480
73 Working Capital	131	3,315		2,420	0	895
74 TOTAL RATE BASE		423,989		305,615	0	118,374

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
2. EXPENSES						
I. OPERATION & MAINTENANCE EXPENSE						
A. PRODUCTION & GATHERING EXPENSES						
75 Operations Expense	750-756	0	None	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0
B. OTHER GAS SUPPLY EXPENSES						
78 Natural gas field line purchases	801	0	None	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0
C. NATURAL GAS STORAGE						
88 LNG Operating Exp Admin	840	0	None	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0
D. TRANSMISSION EXPENSES						
91 Transmission expenses	856-863					
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0
E. DISTRIBUTION EXPENSES						
93 Operation Supv & Engineering	870	1,656	DISTOnlyPT	1,130	0	526
94 Load Dispatching	871	0	None	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0
96 Mains and Services Expenses	874	4,959	MAIN&SERVICE	3,342	0	1,617
97 Meas. & Reg. Station Expense General	875	100	DEMAND	100	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0
101 Other Expenses - Safety and Environmental	880	377	DISTO&Mx&C881	312	0	65
102 Other Expenses	880	387	DISTO&Mx&C881	321	0	67
103 Distribution Rents	881	562	DISTOnlyPT	383	0	179
104 Maint. Supervision & Engineering	885	885	DISTLABOR	732	0	153
105 Maintenance of Structures & Improvements	886	516	DISTOnlyPT	352	0	164
106 Maint. of Mains	887	5,521	MAINS	5,521	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	DEMAND	1,192	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	DEMAND	10	0	0
109 Maint. of Services	892	0	None	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0
111 Maintenance of Other Equipment	894	67	DISTOnlyPT	46	0	21
112 Subtotal - DISTRIBUTION EXPENSES	870-894	16,232		13,441	0	2,792
113 TOTAL OPERATION & MAINTENANCE EXPENSES		16,232		13,441	0	2,792

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(B)
PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
II. CUSTOMER ACCOUNTS EXPENSES						
114 Customer Service - Administrative	901	0	None	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES						
120 Operation Supervision	907	0	None	0	0	0
121 Customer Assist- Other	908	509	CUST	0	0	509
122 Other Customer Service & Informational Expense	910	698	CUST	0	0	698
123 Supervision	911	0	CUST	0	0	0
124 Demonstration	912	660	CUST	0	0	660
125 Advertising expense	913	24	CUST	0	0	24
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		1,891		0	0	1,891
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		1,891		0	0	1,891
IV. ADMINISTRATIVE & GENERAL EXPENSES						
A. Labor-Related:						
128 Administrative & General Salaries	920	2,690	DISTLABOR	2,225	0	464
129 Administrative & General Salaries - Direct Assign.	920 DA	249	DISTLABOR	206	0	43
130 Office Supplies & Expenses	921	370	DISTLABOR	306	0	64
131 Outside Services Employed - Resid.	923	81	DISTLABOR	67	0	14
132 Outside Services Employed - Labor	923L	1,647	DISTLABOR	1,363	0	284
133 Injuries & Damages	925Labor	153	DISTLABOR	127	0	26
134 Employee Pensions and Benefits	926	2,593	DISTLABOR	2,145	0	448
135 Rents	931	1,823	DISTLABOR	1,508	0	315
136 Subtotal - O&M Accounts 920-923, 925L, 926		9,606		7,947	0	1,659
B. Plant-Related:						
137 Property Insurance	924	290	DISTPT	198	0	92
138 Outside Services Employed-plant	923p	117	DISTPT	80	0	37
139 Injuries & Damages	925Plant	3,576	DISTPT	2,439	0	1,137
140 Misc. Maintenance Expense	932	1,061	DISTPT_GEN	724	0	337
141 Misc. Maintenance Expense - Direct Assign.	932 DA	43	DISTPT_GEN	29	0	14
142 Subtotal - O&M Accounts 924-925P		5,087		3,470	0	1,617
C. Other-Related:						
143 Administrative Expenses Transferred	922	(27)	DIST_PT_O&M	(20)	0	(7)
144 Outside Services Employed-cust	923c	5,083	CUST	0	0	5,083
145 Outside Services Employed-plant-O&M	923p-om	5,131	DIST_PT_O&M	3,874	0	1,257
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	146	DIST_PT_O&M	110	0	36
147 Regulatory Commission Expenses	928	378	DIST_PT_O&M	285	0	93
148 General Advertising Expense	930.1	147	DIST_PT_O&M	111	0	36
149 Miscellaneous General Expenses	930.2	114	DISTPT_GEN	78	0	36
150 Subtotal - O&M Accounts 928-935		10,972		4,439	0	6,534
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		25,666		15,856	0	9,809
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		43,789		29,297	0	14,492

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
V. DEPRECIATION EXPENSE						
153 Intangible Plant	180Int	406	DISTPT_INT	299	0	107
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0
158 Mains (Distribution)	180Mains	6,999	MAINS	6,999	0	0
159 Services	180Services	5,815	CUST	0	0	5,815
160 Meters	180Meters	0	None	0	0	0
161 Distr Other	180Dist	990	DISTPT_xMSM	921	0	69
162 General Plant	180Gen	3,518	DISTPT_GEN	2,400	0	1,118
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0
164 Adjustments		0	None	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	17,728		10,619	0	7,109
VI. TAXES						
A. General Taxes						
166 PA PUC Assessment		1,139	CUST	0	0	1,139
167 Local property taxes		58	DISTPT	39	0	18
168 Public utility reality tax		475	DISTPT	324	0	151
169 State capital stock tax		325	DISTBASE	234	0	91
170 Miscellaneous tax		0	DISTPT	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	1,998		598	0	1,399
B. Income Tax Expense						
172 State Income Tax expense		(526)	PreTax-DIST	(372)	0	(154)
173 Federal Income Tax expense		2,795	PreTax-DIST	1,977	0	818
174 Investment Tax Credit - Amortization		(3)	PreTax-DIST	(2)	0	(1)
175 Subtotal- Income tax expense		2,266		1,603	0	663
176 TOTAL TAX EXPENSE		4,263		2,201	0	2,063
177 TOTAL EXPENSES		65,781		42,117	0	23,664
3. REVENUES at Present Rates						
178 Sales and Transport Revenue	480-483	88,474	RevReq_PF-Dist	59,881	0	28,592
179 Forfeited Discounts		0	None	0	0	0
180 Miscellaneous Service Revenue		0	RevReq_PF-Dist	0	0	0
181 Other Operating Revenue		61	CUST	0	0	61
182 Subtotal- Gas Revenues, net		88,535		59,881	0	28,654
183 TOTAL REVENUE		88,535		59,881	0	28,654
184 TOTAL EXPENSES		65,781		42,117	0	23,664
185 NET INCOME at Present Rates		22,754		17,764	0	4,990

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9(2)(b)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 24 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
SUMMARY						
186 Total revenues		88,535		59,881	0	28,654
187 Total Operating Expenses		43,789		29,297	0	14,492
188 Depreciation Expense		17,728		10,619	0	7,109
189 Taxes other than Income		<u>1,998</u>		<u>598</u>	<u>0</u>	<u>1,399</u>
190 Total Other Expenses		19,725		11,217	0	8,508
191 Income tax expense		2,266		1,603	0	663
192 Total expenses		65,781		42,117	0	23,664
193 NET INCOME at Present Rates		<u>22,754</u>		<u>17,764</u>	<u>0</u>	<u>4,990</u>
194 Total Rate Base		<u>423,989</u>		<u>305,615</u>	<u>0</u>	<u>118,374</u>
195						
REVENUE REQUIREMENTS						
196 Target ROR		8.89%		8.89%	8.89%	8.89%
197 Using Target for System						
198 Rate Base		423,989		305,615	0	118,374
199 Operating expenses		43,789		29,297	0	14,492
200 Depreciation expense		17,728		10,619	0	7,109
201 Taxes other than Income		<u>1,998</u>		<u>598</u>	<u>0</u>	<u>1,399</u>
202 Operating expenses to recover		83,515		40,514	0	23,000
203 Target Return on Rate Base- After taxes		37,693		27,169	0	10,523
204 Income taxes to recover		18,560	49.2%	13,378	0	5,182
205 Additional expenses		0	0.0%	0	0	0
206 TOTAL REVENUE REQUIREMENT		<u>119,767</u>		<u>81,062</u>	<u>0</u>	<u>38,706</u>

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.9 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 25 OF 85

Account Description	Account Code	DISTRIBUTION Dollars	Allocation Factor	CLASSIFICATION		
				DISTRIBUTION		
				Demand	Commodity	Customer
<u>Working Capital Subreport</u>						
207 Accounts Receivable- Gas		0	DISTO&MxGas	0	0	0
208 Accounts Receivable- Other		0	DISTO&MxGas	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0
210 Accounts Receivable, Total		0		0	0	0
211 Gas, LNG in Storage		0	None	0	0	0
212 Inventories & Other, Total		0		0	0	0
213 Accounts Payable, Natural Gas		0	DISTO&MxGas	0	0	0
214 Accounts Payable, Other- Labor		1,298	DISTLABOR	1,074	0	224
215 Accounts Payable, Other- O&MxGas		2,239	DISTO&MxGas	1,498	0	741
216 Accounts Payable, Total		3,538		2,572	0	965
217 Accrued interest		(938)	DISTPT	(640)	0	(298)
218 Other, net		715	DISTPT	488	0	227
219 Defd Items & Other, Total		(223)		(152)	0	(71)
220 Total Working Capital		3,315		2,420	0	895

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.6 (B)
PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	COMMODITY Dollars	Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	2	P&G_RATEBASE-E	0	0	0	2
2 Intangible Plant - Software- Labor	303Lab	266	PRDGTHTPT-E	0	0	0	266
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	268		0	0	0	268
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	AGS Direct	0	0	0	28,445
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	28,445		0	0	0	28,445
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 27 OF 85

Account Description	Account Code	COMMODITY Dollars	Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	3	PRDGTHTPT-E	0	0	0	3
35 Structures and Improvements	390	269	PRDGTHTPT-E	0	0	0	269
36 Structures and Improvements - Direct Assign.	390 DA	42	AGS Direct	0	0	0	42
37 Office Furniture and Equipment	391	420	PRDGTHTPT-E	0	0	0	420
38 Office Furniture and Equipment - Direct Assign.	391 DA	1	AGS Direct	0	0	0	1
39 Transportation Equipment	392	353	PRDGTHTPT-E	0	0	0	353
40 Stores Equipment	393	2	PRDGTHTPT-E	0	0	0	2
41 Tools & Garage Equipment	394	147	PRDGTHTPT-E	0	0	0	147
42 Tools & Garage Equipment - Direct Assign.	394 DA	16	AGS Direct	0	0	0	16
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	108	PRDGTHTPT-E	0	0	0	108
45 Communication Equipment	397	238	PRDGTHTPT-E	0	0	0	238
46 Communication Equipment - Direct Assign.	397 DA	4	AGS Direct	0	0	0	4
47 Miscellaneous Equipment	398	1	PRDGTHTPT-E	0	0	0	1
48 Miscellaneous Equipment - Direct Assign.	398 DA	0	None	0	0	0	0
49 Subtotal - GENERAL PLANT	389-399	1,604		0	0	0	1,604
50 TOTAL UTILITY PLANT		30,317		0	0	0	30,317
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	91	PRDGTHTPT-E	0	0	0	91
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	8,153	AGS Direct	0	0	0	8,153
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	666	PRDGTHTPT-E	0	0	0	666
62 General Plant - Direct Assign.	108.8 DA	13	AGS Direct	0	0	0	13
63 TOTAL DEPRECIATION RESERVE	108	8,924		0	0	0	8,924
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		30	PRDGTHTPT-E	0	0	0	30
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		13	PRDGTHTPT-E	1	0	1	11
67 Deferred Income Taxes - Depreciation		0	None	0	0	0	0
68 Deferred Income Taxes - Direct Assign.		(1,522)	AGS Direct	0	0	0	(1,522)
69 Deferred ITC		0	None	0	0	0	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(1,478)		1	0	1	(1,480)
72 TOTAL RATE BASE (Excl. Working Capital)		19,915		2	0	1	19,913
73 Working Capital	131	3,858		1,741	298	1,617	201
74 TOTAL RATE BASE		23,773		1,742	299	1,618	20,114

EQUITABLE COMPANY
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 PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	COMMODITY Dollars	Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	1,043	PRDGTHTPT-E	0	0	0	1,043
76 Maintenance Expense	761-765	1,766	PRDGTHTPT-E	0	0	0	1,766
77 Subtotal - Production and Gathering	750-765	2,809		0	0	0	2,809
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	391	Account 813	279	44	68	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	391		279	44	68	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	112	Gas_Deliveries	53	9	50	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	81	PRDGTHTO&MxA/C880	8	1	3	68
102 Other Expenses	880	83	P&G_O&Mx880xAGS	55	9	19	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	276		116	19	72	68
113 TOTAL OPERATION & MAINTENANCE EXPENSES		3,475		395	64	139	2,877

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
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				PRODUCTION & GATHERING COMMODITY Class Allocation				
Account Description	Account Code	COMMODITY Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	0	None	0	0	0	0	
115 Meter Reading Expenses	902	0	None	0	0	0	0	
116 Customer Records & Collection Expense	903	0	None	0	0	0	0	
117 Uncollectible Accounts	904	0	None	0	0	0	0	
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES								
120 Operation Supervision	907	0	None	0	0	0	0	
121 Customer Assist- Other	908	0	None	0	0	0	0	
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0	
123 Supervision	911	0	None	0	0	0	0	
124 Demonstration	912	0	None	0	0	0	0	
125 Adverstising expense	913	0	None	0	0	0	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXP.		0		0	0	0	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES EXPENSES		0		0	0	0	0	
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	473	PRDGTHLABOR-E	20	3	15	435	
129 Administrative & General Salaries - Direct Assign.	920 DA	44	AGS Direct	0	0	0	44	
130 Office Supplies & Expenses	921	65	PRDGTHLABOR-E	3	0	2	60	
131 Outside Services Employed - Resid.	923	14	RS Direct	14	0	0	0	
132 Outside Services Employed - Labor	923L	290	PRDGTHLABOR-E	12	2	9	267	
133 Injuries & Damages	925Labor	27	PRDGTHLABOR-E	1	0	1	25	
134 Employee Pensions and Benefits	926	456	PRDGTHLABOR-E	19	3	14	420	
135 Rents	931	321	PRDGTHLABOR-E	13	2	10	295	
136 Subtotal - O&M Accounts 920-923, 925L, 926		1,691		83	12	51	1,545	
B. Plant-Related:								
137 Property Insurance	924	12	PRDGTHPT-E	0	0	0	12	
138 Outside Services Employed-plant	923p	5	PRDGTHPT-E	0	0	0	5	
139 Injuries & Damages	925Plant	142	PRDGTHPT-E	0	0	0	142	
140 Misc. Maintenance Expense	932	44	P&G_PT_GEN-E	0	0	0	44	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	2	AGS Direct	0	0	0	2	
142 Subtotal - O&M Accounts 924-925P		203		0	0	0	203	
C. Other-Related:								
143 Administrative Expenses Transferred	922	(3)	P&G_PT_O&M-E	(0)	(0)	(0)	(3)	
144 Outside Services Employed-cust	923c	0	None	0	0	0	0	
145 Outside Services Employed-plant-O&M	923p-om	568	P&G_PT_O&M-E	32	5	11	519	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	16	AGS Direct	0	0	0	16	
147 Regulatory Commission Expenses	928	42	P&G_PT_O&MxAGS-E	28	4	10	0	
148 General Advertising Expense	930.1	16	P&G_PT_O&MxAGS-E	11	2	4	0	
149 Miscellaneous General Expenses	930.2	13	P&G_PT_O&M-E	1	0	0	12	
150 Subtotal - O&M Accounts 928-935		652		71	11	25	545	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		2,548		154	23	76	2,293	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gas Supply)		6,022		549	87	216	5,170	

EQUITABLE COMPANY
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ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 30 OF 85

Account Description	Account Code	COMMODITY Dollars	Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	27	PRDGTHTPT-E	0	0	0	27
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	631	AGS Direct	0	0	0	631
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	0	None	0	0	0	0
162 General Plant	180Gen	145	P&G_PT_GEN-E	0	0	0	145
163 General Plant - Direct Assign.	180Gen DA	3	AGS Direct	0	0	0	3
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	806		0	0	0	806
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		0	None	0	0	0	0
168 Public utility reality tax		0	None	0	0	0	0
169 State capital stock tax		18	PRDGTHTPT-E	0	0	0	18
170 Miscellaneous tax		17	Gas_Deliveries	8	1	8	0
171 Subtotal- Taxes Other Than Income Taxes	408	35		8	1	8	18
B. Income Tax Expense							
172 State Income Tax expense		(50)	PreTax-PRDGTH-E	(39)	(5)	(11)	4
173 Federal Income Tax expense		266	PreTax-PRDGTH-E	205	28	57	(23)
174 Investment Tax Credit - Amortization		(0)	PreTax-PRDGTH-E	(0)	(0)	(0)	0
175 Subtotal- Income tax expense		216		166	23	46	(19)
176 TOTAL TAX EXPENSE		251		174	24	54	(1)
177 TOTAL EXPENSES		7,078		723	111	269	5,975
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	7,399	Delivery_Rev	5,047	693	1,405	254
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		7,399		5,047	693	1,405	254
183 TOTAL REVENUE		7,399		5,047	693	1,405	254
184 TOTAL EXPENSES		7,078		723	111	269	5,975
185 NET INCOME at Present Rates		321		4,324	582	1,135	(5,721)

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 31 OF 85

Account Description	Account Code	COMMODITY Dollars	Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186 Total revenues		7,399		5,047	693	1,405	254
187 Total Operating Expenses		6,022		549	87	216	5,170
188 Depreciation Expense		806		0	0	0	806
189 Taxes other than Income		35		8	1	8	18
190 Total Other Expenses		841		8	1	8	824
191 Income tax expense		216		166	23	46	(19)
192 Total expenses		7,078		723	111	269	5,975
193 NET INCOME at Present Rates		321		4,324	582	1,135	(5,721)
194 Total Rate Base		23,773		1,742	299	1,618	20,114
195 Return at Present Rates							
REVENUE REQUIREMENTS							
196 Target ROR		8.89%		8.89%	8.89%	8.89%	8.89%
197 Using Target for System							
198 Rate Base		23,773		1,742	299	1,618	20,114
199 Operating expenses		6,022		549	87	216	5,170
200 Depreciation expense		806		0	0	0	806
201 Taxes other than Income		35		8	1	8	18
202 Operating expenses to recover		6,862		557	88	223	5,994
203 Target Return on Rate Base- After taxes		2,113		155	27	144	1,788
204 Income taxes to recover		1,041	49.2%	76	13	71	880
205 Additional expenses		0	0.0%	0	0	0	0
206 TOTAL REVENUE REQUIREMENT		10,017		788	128	438	8,662

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 32 OF 85

Account Description	Account Code	COMMODITY Dollars	Allocation Allocation Factor	PRODUCTION & GATHERING COMMODITY Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		3,330	Gas_Deliveries	1,585	272	1,474	0
214 Accounts Payable, Other- Labor		228	PRDGTHLABOR-E	10	2	7	210
215 Accounts Payable, Other- O&MxGas		308	Gas_Deliveries	147	25	136	0
216 Accounts Payable, Total		3,867		1,741	298	1,617	210
217 Accrued interest		(37)	PRDGTHTPT-E	0	0	0	(37)
218 Other, net		28	PRDGTHTPT-E	0	0	0	28
219 Defd Items & Other, Total		(9)		0	0	0	(9)
220 Total Working Capital		3,858		1,741	298	1,617	201

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.8 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 33 OF 85

Account		Account	COMMODITY	Allocation	PRODUCTION & GATHERING COMMODITY Class Allocation			
Description	Code	Dollars	Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
LABOR REPORT								
PRODUCTION AND GATHERING:								
221	Production and Gathering O&M	750-765	1,164	0	0	0	1,164	
222	Purchased Gas Expense	807	0	0	0	0	0	
223	Other Gas Supply Expense	813	0	0	0	0	0	
224	Sub Production		1,164	0	0	0	1,164	
STORAGE:								
225	LNG Operating Exp Admin	840						
226	Operating Exp- Admin	850						
227	Sub Storage		0	0	0	0	0	
TRANSMISSION:								
228	Transmission expenses	856-863						
229	Sub Transmission		0	0	0	0	0	
DISTRIBUTION:								
230	Operation Supv & Engineering	870	0	0	0	0	0	
231	Load Dispatching	871	77	37	6	34	0	
232	Compressor Station Fuel and Power	873	0	0	0	0	0	
233	Mains and Services Expenses	874	0	0	0	0	0	
234	Meas. & Reg. Station Expense General	875	0	0	0	0	0	
235	Meas. & Reg. Station Expense Industrial	876	0	0	0	0	0	
236	Meter & House Regulator Expenses	878	0	0	0	0	0	
237	Customer Installation Expense	879	0	0	0	0	0	
238	Other Expenses - Safety and Environmental	880	22	2	0	1	19	
239	Other Expenses	880	23	15	2	5	0	
240	Maint. Supervision & Engineering	885	0	0	0	0	0	
241	Maintenance of Structures & Improvements	886	0	0	0	0	0	
242	Maint. of Mains	887	0	0	0	0	0	
243	Maint Of Meas. & Reg. Station Expense General	889	0	0	0	0	0	
244	Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	0	0	0	0	
245	Maint. of Services	892	0	0	0	0	0	
246	Maint. of Meters & House Regulators	893	0	0	0	0	0	
247	Maintenance of Other Equipment	894	0	0	0	0	0	
248	Sub Distribution		122	54	9	40	19	
OnSite:								
249	Customer Service - Administrative	901	0	0	0	0	0	
250	Meter Reading Expenses	902	0	0	0	0	0	
251	Customer Records & Collection Expense	903	0	0	0	0	0	
252	Operation Supervision	907	0	0	0	0	0	
253	Customer Assist- Other	908	0	0	0	0	0	
254	Supervision	911	0	0	0	0	0	
255	Demonstration	912	0	0	0	0	0	
256	Sub OnSite		0	0	0	0	0	
257	TOTAL:		1,285	54	9	40	1,182	

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 34 OF 85

Account		Account	STORAGE	Allocation	STORAGE DEMAND Class Allocation			
Description	Code	Dollars	Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
1. RATE BASE								
I. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT								
1 Organization	301	6	STOR_RATEBASE-D	5	1	0	0	
2 Intangible Plant - Software- Labor	303Lab	0	None	0	0	0	0	
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0	
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0	
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0	
6 Subtotal - INTANGIBLE ASSETS	301-303	6		5	1	0	0	
B. PRODUCTION & GATHERING PLANT								
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0	
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0	
C. STORAGE PLANT								
9 Storage Plant	360-368	0	None	0	0	0	0	
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0	
D. TRANSMISSION PLANT								
11 Transmission plant	365-370	0	None	0	0	0	0	
12 Transmission - Mains	367	0	None	0	0	0	0	
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0	
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0	
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0	
E. DISTRIBUTION PLANT								
16 Land and Land Rights	374	0	None	0	0	0	0	
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0	
18 Structures and Improvements	375	0	None	0	0	0	0	
19 Mains	376	0	None	0	0	0	0	
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0	
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0	
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0	
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0	
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0	
25 Services	380	0	None	0	0	0	0	
26 Meters	381	0	None	0	0	0	0	
27 Meter Installations	382	0	None	0	0	0	0	
28 House Regulators	383	0	None	0	0	0	0	
29 House Regulator Installations	384	0	None	0	0	0	0	
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0	
31 Property on Customers' Premises	386	0	None	0	0	0	0	
32 Other Equipment	387	0	None	0	0	0	0	
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0	

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 35 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	0	None	0	0	0	0
35 Structures and Improvements	390	0	None	0	0	0	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	0	None	0	0	0	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	0	None	0	0	0	0
40 Stores Equipment	393	0	None	0	0	0	0
41 Tools & Garage Equipment	394	0	None	0	0	0	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	0	None	0	0	0	0
45 Communication Equipment	397	0	None	0	0	0	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	0	None	0	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	0	None	0	0	0	0
49 Subtotal - GENERAL PLANT	389-399	0		0	0	0	0
50 TOTAL UTILITY PLANT		6		5	1	0	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	2	STOR_RATEBASE-D	2	0	0	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	0	None	0	0	0	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	2		2	0	0	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		0	None	0	0	0	0
65 Current Gas Storage		75,176	Storage	64,111	7,384	3,681	0
66 Prepayments		0	None	0	0	0	0
67 Deferred Income Taxes - Depreciation		0	None	0	0	0	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		0	None	0	0	0	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		75,176		64,111	7,384	3,681	0
72 TOTAL RATE BASE (Excl. Working Capital)		75,180		64,114	7,384	3,681	0
73 Working Capital	131	0		0	0	0	0
74 TOTAL RATE BASE		75,180		64,114	7,384	3,681	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 36 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	0	None	0	0	0	0
102 Other Expenses	880	0	None	0	0	0	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	0		0	0	0	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		0		0	0	0	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 37 OF 85

Account		Account	STORAGE	Allocation	STORAGE DEMAND Class Allocation			
Description	Code	Dollars	Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	0	None	0	0	0	0	
115 Meter Reading Expenses	902	0	None	0	0	0	0	
116 Customer Records & Collection Expense	903	0	None	0	0	0	0	
117 Uncollectible Accounts	904	0	None	0	0	0	0	
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0	
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0	
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES								
120 Operation Supervision	907	0	None	0	0	0	0	
121 Customer Assist- Other	908	0	None	0	0	0	0	
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0	
123 Supervision	911	0	None	0	0	0	0	
124 Demonstration	912	0	None	0	0	0	0	
125 Advertising expense	913	0	None	0	0	0	0	
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXPENSES		0		0	0	0	0	
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES I		0		0	0	0	0	
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	0	None	0	0	0	0	
129 Administrative & General Salaries - Direct Assign.	920 DA	0	None	0	0	0	0	
130 Office Supplies & Expenses	921	0	None	0	0	0	0	
131 Outside Services Employed - Resid.	923	0	None	0	0	0	0	
132 Outside Services Employed - Labor	923L	0	None	0	0	0	0	
133 Injuries & Damages	925Labor	0	None	0	0	0	0	
134 Employee Pensions and Benefits	926	0	None	0	0	0	0	
135 Rents	931	0	None	0	0	0	0	
136 Subtotal - O&M Accounts 920-923, 925L, 926		0		0	0	0	0	
B. Plant-Related:								
137 Property Insurance	924	0	None	0	0	0	0	
138 Outside Services Employed-plant	923p	0	None	0	0	0	0	
139 Injuries & Damages	925Plant	0	None	0	0	0	0	
140 Misc. Maintenance Expense	932	0	None	0	0	0	0	
141 Misc. Maintenance Expense - Direct Assign.	932 DA	0	None	0	0	0	0	
142 Subtotal - O&M Accounts 924-925P		0		0	0	0	0	
C. Other-Related:								
143 Administrative Expenses Transferred	922	0	None	0	0	0	0	
144 Outside Services Employed-cust	923c	0	None	0	0	0	0	
145 Outside Services Employed-plant-O&M	923p-om	0	None	0	0	0	0	
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	0	None	0	0	0	0	
147 Regulatory Commission Expenses	928	0	None	0	0	0	0	
148 General Advertising Expense	930.1	0	None	0	0	0	0	
149 Miscellaneous General Expenses	930.2	0	None	0	0	0	0	
150 Subtotal - O&M Accounts 928-935		0		0	0	0	0	
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		0		0	0	0	0	
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and G:		0		0	0	0	0	

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 38 OF 85

Account <u>Description</u>	Account <u>Code</u>	STORAGE DEMAND <u>Dollars</u>	Allocation <u>Factor</u>	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	1	STOR_RATEBASE-D	1	0	0	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	0	None	0	0	0	0
162 General Plant	180Gen	0	None	0	0	0	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	1		1	0	0	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		0	None	0	0	0	0
168 Public utility reality tax		0	None	0	0	0	0
169 State capital stock tax		58	Storage	49	6	3	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	58		49	6	3	0
B. Income Tax Expense							
172 State Income Tax expense		(56)	PreTax-Stor-D	(38)	(5)	(11)	(2)
173 Federal Income Tax expense		299	PreTax-Stor-D	203	28	57	10
174 Investment Tax Credit - Amortization		(0)	PreTax-Stor-D	(0)	(0)	(0)	(0)
175 Subtotal- Income tax expense		242		165	23	46	8
176 TOTAL TAX EXPENSE		300		214	28	49	8
177 TOTAL EXPENSES		300		215	28	49	8
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	7,411	Delivery_Rev	5,055	694	1,407	255
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		7,411		5,055	694	1,407	255
183 TOTAL REVENUE		7,411		5,055	694	1,407	255
184 TOTAL EXPENSES		300		215	28	49	8
185 NET INCOME at Present Rates		7,111		4,841	666	1,358	247

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 39 OF 85

		STORAGE	STORAGE DEMAND Class Allocation				
Account	Account	DEMAND	Allocation	Residential	General Service -	General Service -	Appalachian
Description	Code	Dollars	Factor	Service (RS)	Small (GSS)	Large (GSL)	Gathering Service (AGS)
SUMMARY							
186	Total revenues	7,411		5,055	694	1,407	255
187	Total Operating Expenses	0		0	0	0	0
188	Depreciation Expense	1		1	0	0	0
189	Taxes other than Income	58		49	6	3	0
190	Total Other Expenses	58		50	6	3	0
191	Income tax expense	242		165	23	46	8
192	Total expenses	300		215	28	49	8
193	NET INCOME at Present Rates	7,111		4,841	666	1,358	247
194	Total Rate Base	75,180		64,114	7,384	3,681	0
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	75,180		64,114	7,384	3,681	0
199	Operating expenses	0		0	0	0	0
200	Depreciation expense	1		1	0	0	0
201	Taxes other than Income	58		49	6	3	0
202	Operating expenses to recover	58		50	6	3	0
203	Target Return on Rate Base- After taxes	6,684		5,700	656	327	0
204	Income taxes to recover	3,291	49.2%	2,807	323	161	0
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	10,033		8,556	985	491	0

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 40 OF 85

Account <u>Description</u>	Account <u>Code</u>	STORAGE <u>DEMAND</u> <u>Dollars</u>	Allocation <u>Factor</u>	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		0	None	0	0	0	0
215 Accounts Payable, Other- O&MxGas		0	None	0	0	0	0
216 Accounts Payable, Total		0		0	0	0	0
217 Accrued interest		0	None	0	0	0	0
218 Other, net		0	None	0	0	0	0
219 Defd Items & Other, Total		0		0	0	0	0
220 Total Working Capital		0		0	0	0	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 41 OF 85

Account Description	Account Code	STORAGE DEMAND Dollars	Allocation Factor	STORAGE DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	0		0	0	0	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	0		0	0	0	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	0		0	0	0	0
239 Other Expenses	880	0		0	0	0	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		0		0	0	0	0
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		0		0	0	0	0
257 TOTAL:		0		0	0	0	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.4 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 42 OF 85

		TRANSMISSION		TRANSMISSION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	2	TRAN_RATEBASE-D	(0)	(0)	(0)	2
2 Intangible Plant - Software- Labor	303Lab	8	TRANSLABOR-D	0	0	0	8
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Pit	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	10		0	0	0	9
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0	None	0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	106	Peak&Avg	58	8	40	0
12 Transmission - Mains	367	1,243	Peak&Avg	680	98	464	0
13 Transmission plant - Direct Assign.	365-370 DA	14,171	AGS Direct	0	0	0	14,171
14 Transmission - Mains - Direct Assign.	367 DA	16,830	AGS Direct	0	0	0	16,830
15 Subtotal - TRANSMISSION PLANT	365-370	32,350		738	107	504	31,001
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	0		0	0	0	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(8)
 PRESENT RATES - PEAK AND AVG. METHOD
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				TRANSMISSION DEMAND Class Allocation			
Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	3	Peak&Avg	2	0	1	0
35 Structures and Improvements	390	306	Peak&Avg	168	24	114	0
36 Structures and Improvements - Direct Assign.	390 DA	25	AGS Direct	0	0	0	25
37 Office Furniture and Equipment	391	477	Peak&Avg	261	38	178	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	1	AGS Direct	0	0	0	1
39 Transportation Equipment	392	402	Peak&Avg	220	32	150	0
40 Stores Equipment	393	2	Peak&Avg	1	0	1	0
41 Tools & Garage Equipment	394	167	Peak&Avg	91	13	62	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	10	AGS Direct	0	0	0	10
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	123	Peak&Avg	67	10	46	0
45 Communication Equipment	397	270	Peak&Avg	148	21	101	0
46 Communication Equipment - Direct Assign.	397 DA	2	AGS Direct	0	0	0	2
47 Miscellaneous Equipment	398	1	Peak&Avg	1	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	3	GSL Direct	0	0	3	0
49 Subtotal - GENERAL PLANT	389-399	1,792		958	139	658	38
50 TOTAL UTILITY PLANT		34,152		1,697	245	1,162	31,048
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	3	TRAN_RATEBASE-D	(0)	(0)	(0)	3
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	658	Peak&Avg	360	52	246	0
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	AGS Direct	0	0	0	11,969
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	0	None	0	0	0	0
61 General Plant	109	757	Peak&Avg	414	60	283	0
62 General Plant - Direct Assign.	108.8 DA	8	AGS Direct	0	0	0	8
63 TOTAL DEPRECIATION RESERVE	108	13,396		774	112	529	11,981
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		35	Peak&Avg	19	3	13	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		1	Peak&Avg	1	0	0	0
67 Deferred Income Taxes - Depreciation		(2,027)	TRAN_PT×AGS-D	(1,109)	(160)	(757)	0
68 Deferred Income Taxes - Direct Assign.		(901)	AGS Direct	0	0	0	(901)
69 Deferred ITC		(97)	TRAN_PT×AGS-D	(53)	(8)	(36)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(2,988)		(1,142)	(165)	(780)	(901)
72 TOTAL RATE BASE (Excl. Working Capital)		17,768		(220)	(32)	(147)	18,167
73 Working Capital	131	28		15	2	10	0
74 TOTAL RATE BASE		17,795		(205)	(30)	(137)	18,167

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 44 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	0	None	0	0	0	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	129	TRANS_MAINS-D	5	1	3	120
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	3	TRANO&MxAVC880-D	0	0	0	3
102 Other Expenses	880	3	TRANO&Mx880xAGS-D	2	0	1	0
103 Distribution Rents	881	0	None	0	0	0	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	135		7	1	5	123
113 TOTAL OPERATION & MAINTENANCE EXPENSES		135		7	1	5	123

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 45 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	0	None	0	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	0	None	0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0
123 Supervision	911	0	None	0	0	0	0
124 Demonstration	912	0	None	0	0	0	0
125 Advertising expense	913	0	None	0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXPENSES		0		0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES I		0		0	0	0	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	15	TRANSLABOR-D	1	0	0	14
129 Administrative & General Salaries - Direct Assign.	920 DA	1	AGS Direct	0	0	0	1
130 Office Supplies & Expenses	921	2	TRANSLABOR-D	0	0	0	2
131 Outside Services Employed - Resid.	923	0	RS Direct	0	0	0	0
132 Outside Services Employed - Labor	923L	9	TRANSLABOR-D	0	0	0	8
133 Injuries & Damages	925Labor	1	TRANSLABOR-D	0	0	0	1
134 Employee Pensions and Benefits	926	14	TRANSLABOR-D	1	0	0	13
135 Rents	931	10	TRANSLABOR-D	0	0	0	9
136 Subtotal - O&M Accounts 920-923, 925L, 926		53		3	0	2	48
B. Plant-Related:							
137 Property Insurance	924	13	Peak&Avg	7	1	5	0
138 Outside Services Employed-plant	923p	5	Peak&Avg	3	0	2	0
139 Injuries & Damages	925Plant	161	Peak&Avg	88	13	60	0
140 Misc. Maintenance Expense	932	49	TRAN_PT_GEN-D	26	4	18	1
141 Misc. Maintenance Expense - Direct Assign.	932 DA	2	AGS Direct	0	0	0	2
142 Subtotal - O&M Accounts 924-925P		230		124	18	85	3
C. Other-Related:							
143 Administrative Expenses Transferred	922	(1)	TRAN_PT-D	(0)	(0)	(0)	(1)
144 Outside Services Employed-cust	923c	0	None	0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	155	TRAN_PT-D	4	1	2	148
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	4	AGS Direct	0	0	0	4
147 Regulatory Commission Expenses	928	11	TRAN_PTxAGS-D	6	1	4	0
148 General Advertising Expense	930.1	4	TRAN_PTxAGS-D	2	0	2	0
149 Miscellaneous General Expenses	930.2	3	TRAN_PT-D	0	0	0	3
150 Subtotal - O&M Accounts 928-935		177		12	2	8	155
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		461		140	20	95	206
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and G:		596		146	21	100	329

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
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Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	1	TRAN_RATEBASE-D	(0)	(0)	(0)	1
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	9	Peak&Avg	5	1	3	0
157 Transmission Plant - Direct Assign.	180Trans DA	704	AGS Direct	0	0	0	704
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	0	None	0	0	0	0
162 General Plant	180Gen	162	TRAN_PT_GEN-D	86	13	59	3
163 General Plant - Direct Assign.	180Gen DA	2	AGS Direct	0	0	0	2
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	876		91	13	63	710
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		1	Peak&Avg	1	0	0	0
168 Public utility reality tax		10	Peak&Avg	6	1	4	0
169 State capital stock tax		14	Peak&Avg	7	1	5	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	25		14	2	9	0
B. Income Tax Expense							
172 State Income Tax expense		(15)	PreTax-Tran-D	(14)	(2)	(4)	5
173 Federal Income Tax expense		79	PreTax-Tran-D	75	10	19	(25)
174 Investment Tax Credit - Amortization		(0)	PreTax-Tran-D	(0)	(0)	(0)	0
175 Subtotal- Income tax expense		64		61	8	15	(20)
176 TOTAL TAX EXPENSE		89		74	10	25	(20)
177 TOTAL EXPENSES		1,562		312	45	187	1,019
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	2,851	Delivery_Rev	1,944	267	541	98
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		2,851		1,944	267	541	98
183 TOTAL REVENUE		2,851		1,944	267	541	98
184 TOTAL EXPENSES		1,562		312	45	187	1,019
185 NET INCOME at Present Rates		1,288		1,633	223	354	(921)

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 47 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	2,851		1,944	267	541	98
187	Total Operating Expenses	596		146	21	100	329
188	Depreciation Expense	876		91	13	63	710
189	Taxes other than Income	25		14	2	9	0
190	Total Other Expenses	902		105	15	72	710
191	Income tax expense	64		61	8	15	(20)
192	Total expenses	1,562		312	45	187	1,019
193	NET INCOME at Present Rates	1,288		1,633	223	354	(921)
194	Total Rate Base	17,795		(205)	(30)	(137)	18,167
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	17,795		(205)	(30)	(137)	18,167
199	Operating expenses	596		146	21	100	329
200	Depreciation expense	876		91	13	63	710
201	Taxes other than Income	25		14	2	9	0
202	Operating expenses to recover	1,498		251	36	172	1,039
203	Target Return on Rate Base- After taxes	1,582		(18)	(3)	(12)	1,615
204	Income taxes to recover	779	49.2%	(9)	(1)	(6)	795
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	3,859		224	32	154	3,449

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.8 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 48 OF 85

Account Description	Account Code	TRANSMISSION DEMAND Dollars	Allocation Factor	TRANSMISSION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		7	Peak&Avg	4	1	3	0
215 Accounts Payable, Other- O&MxGas		31	Peak&Avg	17	2	11	0
216 Accounts Payable, Total		38		21	3	14	0
217 Accrued interest		(42)	Peak&Avg	(23)	(3)	(16)	0
218 Other, net		32	Peak&Avg	18	3	12	0
219 Defd Items & Other, Total		(10)		(5)	(1)	(4)	0
220 Total Working Capital		28		15	2	10	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(b)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 49 OF 85

Account		Account	TRANSMISSION	Allocation	TRANSMISSION DEMAND Class Allocation			
Description	Code	Dollars	Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)	
LABOR REPORT								
PRODUCTION AND GATHERING:								
221	Production and Gathering O&M	750-765	0	0	0	0	0	
222	Purchased Gas Expense	807	0	0	0	0	0	
223	Other Gas Supply Expense	813	0	0	0	0	0	
224	Sub Production		0	0	0	0	0	
STORAGE:								
225	LNG Operating Exp Admin	840						
226	Operating Exp- Admin	850						
227	Sub Storage		0	0	0	0	0	
TRANSMISSION:								
228	Transmission expenses	856-863						
229	Sub Transmission		0	0	0	0	0	
DISTRIBUTION:								
230	Operation Supv & Engineering	870	0	0	0	0	0	
231	Load Dispatching	871	0	0	0	0	0	
232	Compressor Station Fuel and Power	873	0	0	0	0	0	
233	Mains and Services Expenses	874	39	1	0	1	36	
234	Meas. & Reg. Station Expense General	875	0	0	0	0	0	
235	Meas. & Reg. Station Expense Industrial	876	0	0	0	0	0	
236	Meter & House Regulator Expenses	878	0	0	0	0	0	
237	Customer Installation Expense	879	0	0	0	0	0	
238	Other Expenses - Safety and Environmental	880	1	0	0	0	1	
239	Other Expenses	880	1	0	0	0	0	
240	Maint. Supervision & Engineering	885	0	0	0	0	0	
241	Maintenance of Structures & Improvements	886	0	0	0	0	0	
242	Maint. of Mains	887	0	0	0	0	0	
243	Maint Of Meas. & Reg. Station Expense General	889	0	0	0	0	0	
244	Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	0	0	0	0	
245	Maint. of Services	892	0	0	0	0	0	
246	Maint. of Meters & House Regulators	893	0	0	0	0	0	
247	Maintenance of Other Equipment	894	0	0	0	0	0	
248	Sub Distribution		40	2	0	1	37	
OnSite:								
249	Customer Service - Administrative	901	0	0	0	0	0	
250	Meter Reading Expenses	902	0	0	0	0	0	
251	Customer Records & Collection Expense	903	0	0	0	0	0	
252	Operation Supervision	907	0	0	0	0	0	
253	Customer Assist- Other	908	0	0	0	0	0	
254	Supervision	911	0	0	0	0	0	
255	Demonstration	912	0	0	0	0	0	
256	Sub OnSite		0	0	0	0	0	
257	TOTAL:		40	2	0	1	37	

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53-1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 50 OF 85

Account Description	Account Code	DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	26	DIST_RATEBASE-D	14	2	10	0
2 Intangible Plant - Software- Labor	303Lab	1,252	DISTLABOR-D	672	97	483	0
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	1,695	DISTOnlyPT-D	905	131	659	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	2,974		1,591	230	1,153	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	1,291	Peak&Avg	706	102	483	0
17 Land and Land Rights - Direct Assign.	374 DA	564	GSL Direct	0	0	564	0
18 Structures and Improvements	375	1,440	Peak&Avg	788	114	538	0
19 Mains	376	457,729	Peak&Avg	250,431	36,224	171,074	0
20 Mains - Direct Assign.	376 DA	10,267	GSL Direct	0	0	10,267	0
21 Meas. & Reg. Stat. Equip. - General	378	16,126	Peak&Avg	8,823	1,276	6,027	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	GSL Direct	0	0	1,469	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	Peak&Avg	244	35	167	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	489,333		260,992	37,751	190,589	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.1(8)
 PRESENT RATES - PEAK AND AVG. METHOD
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DISTRIBUTION				DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	46	DISTPT-D	25	4	18	0
35 Structures and Improvements	390	4,631	DISTPT-D	2,470	357	1,804	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	7,219	DISTPT-D	3,850	557	2,812	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	6,076	DISTPT-D	3,241	469	2,366	0
40 Stores Equipment	393	28	DISTPT-D	15	2	11	0
41 Tools & Garage Equipment	394	2,522	DISTPT-D	1,345	195	982	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	1,863	DISTPT-D	994	144	726	0
45 Communication Equipment	397	4,088	DISTPT-D	2,181	315	1,592	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	19	DISTPT-D	10	1	7	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	97	GSL Direct	0	0	97	0
49 Subtotal - GENERAL PLANT	389-399	26,590		14,130	2,044	10,416	0
50 TOTAL UTILITY PLANT		518,897		276,714	40,025	202,158	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	1,010	DISTPT-D_INT	540	78	391	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	130,432	DISTMAIN-D	69,796	10,096	50,540	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	6,435	DISTPT-DxMSM	3,185	461	2,789	0
61 General Plant	109	11,455	DISTPT-D	6,110	884	4,462	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	149,331		79,631	11,518	58,182	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		524	DISTPT-D	280	40	204	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		65	DISTO&MXGAS-D	35	5	24	1
67 Deferred Income Taxes - Depreciation		(63,898)	DISTPT-D	(34,081)	(4,930)	(24,887)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(3,063)	DISTPT-D	(1,634)	(236)	(1,193)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(66,372)		(35,400)	(5,120)	(25,852)	1
72 TOTAL RATE BASE (Excl. Working Capital)		303,194		161,683	23,387	118,124	1
73 Working Capital	131	2,420		1,302	187	916	15
74 TOTAL RATE BASE		305,615		162,986	23,574	119,040	15

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 52 OF 85

DISTRIBUTION DEMAND Class Allocation							
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	1,130	DISTOnlyPT-D	603	87	439	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	3,342	DISTMAIN-SERV-D	1,788	259	1,295	0
97 Meas. & Reg. Station Expense General	875	100	Peak&Avg	55	8	37	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	312	DISTO&MxAVC880-D	167	24	120	0
102 Other Expenses	880	321	DISTO&Mx880xAGS-D	172	25	124	0
103 Distribution Rents	881	383	DISTOnlyPT-D	205	30	149	0
104 Maint. Supervision & Engineering	885	732	DISTLABOR-D	393	57	282	0
105 Maintenance of Structures & Improvements	886	352	DISTOnlyPT-D	188	27	137	0
106 Maint. of Mains	887	5,521	DISTMAIN-D	2,955	427	2,139	0
107 Maint Of Meas. & Reg. Station Expense General	889	1,192	Peak&Avg	652	94	445	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	10	Peak&Avg	6	1	4	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	46	DISTPT-D	25	4	18	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	13,441		7,207	1,043	5,191	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		13,441		7,207	1,043	5,191	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 53 OF 85

Account Description	Account Code	DISTRIBUTION		Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
		DEMAND Dollars			Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	0	None		0	0	0	0
115 Meter Reading Expenses	902	0	None		0	0	0	0
116 Customer Records & Collection Expense	903	0	None		0	0	0	0
117 Uncollectible Accounts	904	0	None		0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None		0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0			0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPEN								
120 Operation Supervision	907	0	None		0	0	0	0
121 Customer Assist- Other	908	0	None		0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None		0	0	0	0
123 Supervision	911	0	None		0	0	0	0
124 Demonstration	912	0	None		0	0	0	0
125 Adverstising expense	913	0	None		0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EX		0			0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALE		0			0	0	0	0
IV. ADMINISTRATIVE & GENERAL EXPENSES								
A. Labor-Related:								
128 Administrative & General Salaries	920	2,225	DISTLABOR-D		1,194	173	859	0
129 Administrative & General Salaries - Direct Assign.	920 DA	206	AGS Direct		0	0	0	206
130 Office Supplies & Expenses	921	306	DISTLABOR-D		164	24	118	0
131 Outside Services Employed - Resid.	923	67	RS Direct		67	0	0	0
132 Outside Services Employed - Labor	923L	1,363	DISTLABOR-D		731	106	526	0
133 Injuries & Damages	925Labor	127	DISTLABOR-D		68	10	49	0
134 Employee Pensions and Benefits	926	2,145	DISTLABOR-D		1,151	166	828	0
135 Rents	931	1,508	DISTLABOR-D		809	117	582	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		7,947			4,184	595	2,961	206
B. Plant-Related:								
137 Property Insurance	924	198	DISTPT-D		106	15	77	0
138 Outside Services Employed-plant	923p	80	DISTPT-D		43	6	31	0
139 Injuries & Damages	925Plant	2,439	DISTPT-D		1,301	188	950	0
140 Misc. Maintenance Expense	932	724	DISTPT_GEN-D		385	56	284	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	29	AGS Direct		0	0	0	29
142 Subtotal - O&M Accounts 924-925P		3,470			1,834	265	1,342	29
C. Other-Related:								
143 Administrative Expenses Transferred	922	(20)	DIST_PT_O&M-D		(11)	(2)	(8)	(0)
144 Outside Services Employed-cust	923c	0	None		0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	3,874	DIST_PT_O&M-D		2,072	300	1,503	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	110	AGS Direct		0	0	0	110
147 Regulatory Commission Expenses	928	285	DIST_PT_O&MxAGS-D		153	22	111	0
148 General Advertising Expense	930.1	111	DIST_PT_O&MxAGS-D		59	9	43	0
149 Miscellaneous General Expenses	930.2	78	DIST_PT_O&M-D		42	6	30	0
150 Subtotal - O&M Accounts 928-935		4,439			2,315	335	1,679	110
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		15,856			8,333	1,196	5,982	346
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and		29,297			15,540	2,238	11,173	346

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(8)(b)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 54 OF 85

Account Description	Account Code	DISTRIBUTION		DISTRIBUTION DEMAND Class Allocation			
		DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	299	DISTPT-D_INT	160	23	116	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	6,999	DISTMAIN-D	3,745	542	2,712	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	921	DISTPT-DxMSM	456	66	399	0
162 General Plant	180Gen	2,400	DISTPT_GEN-D	1,275	184	940	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	10,619		5,637	815	4,167	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		39	TOTALPLANTxAGS	26	2	11	0
168 Public utility reality tax		324	TOTALPLANTxAGS	217	19	88	0
169 State capital stock tax		234	DISTPT-D	125	18	91	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	598		368	39	190	0
B. Income Tax Expense							
172 State Income Tax expense		(372)	PreTax-Dist-D	(266)	(36)	(54)	(16)
173 Federal Income Tax expense		1,977	PreTax-Dist-D	1,415	193	285	84
174 Investment Tax Credit - Amortization		(2)	PreTax-Dist-D	(1)	(0)	(0)	(0)
175 Subtotal- Income tax expense		1,603		1,147	157	231	68
176 TOTAL TAX EXPENSE		2,201		1,516	196	421	68
177 TOTAL EXPENSES		42,117		22,693	3,249	15,762	414
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	59,881	Delivery_Rev	40,844	5,611	11,367	2,060
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		59,881		40,844	5,611	11,367	2,060
183 TOTAL REVENUE		59,881		40,844	5,611	11,367	2,060
184 TOTAL EXPENSES		42,117		22,693	3,249	15,762	414
185 NET INCOME at Present Rates		17,764		18,152	2,362	(4,395)	1,646

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 55 OF 85

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	59,881		40,844	5,611	11,367	2,060
187	Total Operating Expenses	29,297		15,540	2,238	11,173	346
188	Depreciation Expense	10,619		5,637	815	4,167	0
189	Taxes other than Income	<u>598</u>		<u>368</u>	<u>39</u>	<u>190</u>	<u>0</u>
190	Total Other Expenses	11,217		6,005	854	4,358	0
191	Income tax expense	1,603		1,147	157	231	68
192	Total expenses	42,117		22,693	3,249	15,762	414
193	NET INCOME at Present Rates	17,764		18,152	2,362	(4,395)	1,646
194	Total Rate Base	305,615		162,986	23,574	119,040	15
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	305,615		162,986	23,574	119,040	15
199	Operating expenses	29,297		15,540	2,238	11,173	346
200	Depreciation expense	10,619		5,637	815	4,167	0
201	Taxes other than Income	<u>598</u>		<u>368</u>	<u>39</u>	<u>190</u>	<u>0</u>
202	Operating expenses to recover	40,514		21,545	3,093	15,531	346
203	Target Return on Rate Base- After taxes	27,169		14,489	2,096	10,583	1
204	Income taxes to recover	13,378	49.2%	7,135	1,032	5,211	1
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	<u>81,062</u>		<u>43,169</u>	<u>6,220</u>	<u>31,324</u>	<u>348</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 56 OF 85

		DISTRIBUTION		DISTRIBUTION DEMAND Class Allocation			
Account Description	Account Code	DEMAND Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207	Accounts Receivable- Gas	0	None	0	0	0	0
208	Accounts Receivable- Other	0	None	0	0	0	0
209	Accrued Gas Revenues	0	None	0	0	0	0
210	Accounts Receivable, Total	0		0	0	0	0
211	Gas, LNG in Storage	0	None	0	0	0	0
212	Inventories & Other, Total	0		0	0	0	0
213	Accounts Payable, Natural Gas	0	None	0	0	0	0
214	Accounts Payable, Other- Labor	1,074	DISTLABOR-D	576	83	414	0
215	Accounts Payable, Other- O&MxGas	1,498	DISTO&MXGAS-D	807	116	561	15
216	Accounts Payable, Total	2,572		1,383	199	975	15
217	Accrued interest	(640)	DISTPT-D	(341)	(49)	(249)	0
218	Other, net	488	DISTPT-D	260	38	190	0
219	Defd Items & Other, Total	(152)		(81)	(12)	(59)	0
220	Total Working Capital	2,420		1,302	187	916	15

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 57 OF 85

Account Description	Account Code	DISTRIBUTION DEMAND Dollars	Allocation Factor	DISTRIBUTION DEMAND Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:				0	0	0	0
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	797		426	62	310	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	1,003		537	78	389	0
234 Meas. & Reg. Station Expense General	875	40		22	3	15	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	85		46	7	33	0
239 Other Expenses	880	87		47	7	34	0
240 Maint. Supervision & Engineering	885	501		269	39	193	0
241 Maintenance of Structures & Improvements	886	113		61	9	44	0
242 Maint. of Mains	887	2,262		1,211	175	877	0
243 Maint Of Meas. & Reg. Station Expense General	889	608		333	48	227	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	7		4	1	3	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	30		16	2	12	0
248 Sub Distribution		5,535		2,969	429	2,136	0
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		0		0	0	0	0
257 TOTAL:		5,535		2,969	429	2,136	0

EQUITABLE COMPANY
DOCKET NO. 08-2029326
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.11(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 58 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	10	DIST_RATEBASE-C	10	0	0	0
2 Intangible Plant - Software- Labor	303Lab	261	DISTLABOR-C	184	63	14	0
3 Intangible Plant - Software- Customer	303Cust	0	None	0	0	0	0
4 Intangible Plant - Software- Plant	303Plt	790	DISTOnlyPT-C	746	8	37	0
5 Miscellaneous Intangible Plant - READI	303READI	0	None	0	0	0	0
6 Subtotal - INTANGIBLE ASSETS	301-303	1,062		939	71	51	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	601	DISTOnlyPT-C	568	6	28	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	671	DISTOnlyPT-C	633	7	31	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	226,432	Service_Invest	213,758	2,209	10,465	0
26 Meters	381	0	None	0	0	0	0
27 Meter Installations	382	0	None	0	0	0	0
28 House Regulators	383	0	None	0	0	0	0
29 House Regulator Installations	384	0	None	0	0	0	0
30 Ind. Meas. & Reg. Station Equip.	385	0	None	0	0	0	0
31 Property on Customers' Premises	386	0	None	0	0	0	0
32 Other Equipment	387	324	GSS Direct	0	324	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	228,028		214,959	2,545	10,524	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - PEAK AND AVG. METHOD
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DISTRIBUTION				DISTRIBUTION CUSTOMER Class Allocation			
Account Description	Account Code	CUSTOMER Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	21	DISTPT-C	20	0	1	0
35 Structures and Improvements	390	2,158	DISTPT-C	2,034	24	100	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	3,364	DISTPT-C	3,171	38	155	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	2,831	DISTPT-C	2,669	32	131	0
40 Stores Equipment	393	13	DISTPT-C	12	0	1	0
41 Tools & Garage Equipment	394	1,175	DISTPT-C	1,108	13	54	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	868	DISTPT-C	819	10	40	0
45 Communication Equipment	397	1,905	DISTPT-C	1,796	21	88	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	9	DISTOnlyPT-C	8	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	45	GSL Direct	0	0	45	0
49 Subtotal - GENERAL PLANT	389-399	12,391		11,638	138	615	0
50 TOTAL UTILITY PLANT		241,481		227,537	2,754	11,190	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	361	DISTPT-C_INT	319	24	17	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	83,524	Service_Invest	78,849	815	3,860	0
59 Meters	109	0	None	0	0	0	0
60 Distr Other	109	481	DISTPT-CxMSM	362	101	18	0
61 General Plant	109	5,338	DISTPT-C	5,032	60	246	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	89,704		84,563	1,000	4,142	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		244	DISTPT-C	230	3	11	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		32	DISTO&MXGAS-C	28	2	2	0
67 Deferred Income Taxes - Depreciation		(29,776)	DISTPT-C	(28,070)	(332)	(1,374)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(1,427)	DISTPT-C	(1,345)	(16)	(66)	0
70 Customer Deposits		(3,370)	Deposits	(2,775)	(209)	(385)	0
71 TOTAL OTHER RATE BASE ITEMS		(34,297)		(31,933)	(552)	(1,812)	0
72 TOTAL RATE BASE (Excl. Working Capital)		117,480		111,042	1,202	5,236	0
73 Working Capital	131	895		740	95	60	0
74 TOTAL RATE BASE		118,374		111,782	1,297	5,296	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 60 OF 85

				DISTRIBUTION CUSTOMER Class Allocation			
Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-766	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	526	DISTOnlyPT-C	497	5	24	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	1,617	DISTMAIN-SERV-C	1,526	16	75	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	0	None	0	0	0	0
100 Customer Installation Expense	879	0	None	0	0	0	0
101 Other Expenses - Safety and Environmental	880	65	DISTO&MxAVC880-C	60	2	3	0
102 Other Expenses	880	67	DISTO&Mx880xAGS-C	62	2	3	0
103 Distribution Rents	881	179	DISTOnlyPT-C	169	2	8	0
104 Maint. Supervision & Engineering	885	153	DISTLABOR-C	107	37	8	0
105 Maintenance of Structures & Improvements	886	164	DISTPT-C	155	2	8	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	0	None	0	0	0	0
110 Maint. of Meters & House Regulators	893	0	None	0	0	0	0
111 Maintenance of Other Equipment	894	21	DISTPT-C	20	0	1	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	2,792		2,596	65	130	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		2,792		2,596	65	130	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 61 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	0	None	0	0	0	0
115 Meter Reading Expenses	902	0	None	0	0	0	0
116 Customer Records & Collection Expense	903	0	None	0	0	0	0
117 Uncollectible Accounts	904	0	None	0	0	0	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		0		0	0	0	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPEN							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	509	Acct901-903,908	474	32	4	0
122 Other Customer Service & Informational Expense	910	698	Account910	698	0	0	0
123 Supervision	911	0	Account911-916	0	0	0	0
124 Demonstration	912	660	Account911-916	0	591	68	0
125 Adverstising expense	913	24	Account911-916	0	22	3	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EX		1,891		1,172	644	75	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES		1,891		1,172	644	75	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	464	DISTLABOR-C	327	113	25	0
129 Administrative & General Salaries - Direct Assign.	920 DA	43	AGS Direct	0	0	0	43
130 Office Supplies & Expenses	921	64	DISTLABOR-C	45	15	3	0
131 Outside Services Employed - Resid.	923	14	RS Direct	14	0	0	0
132 Outside Services Employed - Labor	923L	284	DISTLABOR-C	200	69	15	0
133 Injuries & Damages	925Labor	26	DISTLABOR-C	19	6	1	0
134 Employee Pensions and Benefits	926	448	DISTLABOR-C	315	109	24	0
135 Rents	931	315	DISTLABOR-C	221	76	17	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		1,659		1,141	388	87	43
B. Plant-Related:							
137 Property Insurance	924	92	DISTPT-C	87	1	4	0
138 Outside Services Employed-plant	923p	37	DISTPT-C	35	0	2	0
139 Injuries & Damages	925Plant	1,137	DISTPT-C	1,071	13	52	0
140 Misc. Maintenance Expense	932	337	DISTPT_GEN-C	317	4	17	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	14	AGS Direct	0	0	0	14
142 Subtotal - O&M Accounts 924-925P		1,617		1,510	18	75	14
C. Other-Related:							
143 Administrative Expenses Transferred	922	(7)	DIST_PT_O&M-C	(6)	(0)	(0)	0
144 Outside Services Employed-cust	923c	5,083	Cust_Avg	4,732	315	36	0
145 Outside Services Employed-plant-O&M	923p-om	1,257	DIST_PT_O&M-C	1,177	22	58	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	36	AGS Direct	0	0	0	36
147 Regulatory Commission Expenses	928	93	DIST_PT_O&MxAGS-C	87	2	4	0
148 General Advertising Expense	930.1	36	DIST_PT_O&MxAGS-C	34	1	2	0
149 Miscellaneous General Expenses	930.2	36	DIST_PT_O&M-C	34	1	2	0
150 Subtotal - O&M Accounts 928-935		6,534		6,057	339	102	36
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		9,809		8,708	745	264	93
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and		14,492		12,476	1,454	469	93

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 62 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	107	DISTPT-C_INT	94	7	5	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	5,815	Service_Invest	5,489	57	269	0
160 Meters	180Meters	0	None	0	0	0	0
161 Distr Other	180Dist	69	DISTPT-CxMSM	52	15	3	0
162 General Plant	180Gen	1,118	DISTPT_GEN-C	1,050	12	56	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	7,109		6,686	91	332	0
VI. TAXES							
A. General Taxes							
166 PA PUC Assessment		1,139	Delivery_RevxAGS	805	111	224	0
167 Local property taxes		18	TOTALPLANTxAGS	12	1	5	0
168 Public utility reality tax		151	TOTALPLANTxAGS	101	9	41	0
169 State capital stock tax		91	RATEBASExAGS	63	6	22	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	1,399		981	126	292	0
B. Income Tax Expense							
172 State Income Tax expense		(154)	PreTax-Dist-C	(91)	(19)	(37)	(8)
173 Federal Income Tax expense		818	PreTax-Dist-C	483	100	196	40
174 Investment Tax Credit - Amortization		(1)	PreTax-Dist-C	(0)	(0)	(0)	(0)
175 Subtotal- Income tax expense		663		391	81	159	32
176 TOTAL TAX EXPENSE		2,063		1,372	208	451	32
177 TOTAL EXPENSES		23,664		20,534	1,753	1,252	125
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	28,592	Delivery_Rev	19,503	2,679	5,427	983
179 Forfeited Discounts		0	None	0	0	0	0
180 Miscellaneous Service Revenue		0	None	0	0	0	0
181 Other Operating Revenue		61	Delivery_RevxAGS	43	6	12	0
182 Subtotal- Gas Revenues, net		28,654		19,546	2,685	5,439	983
183 TOTAL REVENUE		28,654		19,546	2,685	5,439	983
184 TOTAL EXPENSES		23,664		20,534	1,753	1,252	125
185 NET INCOME at Present Rates		4,990		(988)	932	4,188	858

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 63 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	28,654		19,546	2,685	5,439	983
187	Total Operating Expenses	14,492		12,476	1,454	469	93
188	Depreciation Expense	7,109		6,686	91	332	0
189	Taxes other than Income	<u>1,399</u>		<u>981</u>	<u>126</u>	<u>292</u>	<u>0</u>
190	Total Other Expenses	8,508		7,667	217	624	0
191	Income tax expense	663		391	81	159	32
192	Total expenses	23,664		20,534	1,753	1,252	125
193	NET INCOME at Present Rates	4,990		(988)	932	4,188	858
194	Total Rate Base	118,374		111,782	1,297	5,296	0
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	118,374		111,782	1,297	5,296	0
199	Operating expenses	14,492		12,476	1,454	469	93
200	Depreciation expense	7,109		6,686	91	332	0
201	Taxes other than Income	<u>1,399</u>		<u>981</u>	<u>126</u>	<u>292</u>	<u>0</u>
202	Operating expenses to recover	23,000		20,143	1,672	1,093	93
203	Target Return on Rate Base- After taxes	10,523		9,937	115	471	0
204	Income taxes to recover	5,182	49.2%	4,893	57	232	0
205	Additional expenses	0	0.0%	0	0	0	0
206	TOTAL REVENUE REQUIREMENT	<u>38,706</u>		<u>34,974</u>	<u>1,844</u>	<u>1,796</u>	<u>93</u>

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 64 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207 Accounts Receivable- Gas		0	None	0	0	0	0
208 Accounts Receivable- Other		0	None	0	0	0	0
209 Accrued Gas Revenues		0	None	0	0	0	0
210 Accounts Receivable, Total		0		0	0	0	0
211 Gas, LNG in Storage		0	None	0	0	0	0
212 Inventories & Other, Total		0		0	0	0	0
213 Accounts Payable, Natural Gas		0	None	0	0	0	0
214 Accounts Payable, Other- Labor		224	DISTLABOR-C	158	54	12	0
215 Accounts Payable, Other- O&MxGas		741	ONSITEO&MxGASxAGS-C	649	41	51	0
216 Accounts Payable, Total		965		807	95	63	0
217 Accrued interest		(298)	DISTPT-C	(281)	(3)	(14)	0
218 Other, net		227	DISTPT-C	214	3	10	0
219 Defd Items & Other, Total		(71)		(67)	(1)	(3)	0
220 Total Working Capital		895		740	95	60	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 65 OF 85

Account Description	Account Code	DISTRIBUTION CUSTOMER Dollars	Allocation Factor	DISTRIBUTION CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	371		351	4	17	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	485		458	5	22	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	0		0	0	0	0
237 Customer Installation Expense	879	0		0	0	0	0
238 Other Expenses - Safety and Environmental	880	18		16	0	1	0
239 Other Expenses	880	18		17	0	1	0
240 Maint. Supervision & Engineering	885	104		73	25	6	0
241 Maintenance of Structures & Improvements	886	53		50	1	2	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	0		0	0	0	0
246 Maint. of Meters & House Regulators	893	0		0	0	0	0
247 Maintenance of Other Equipment	894	14		13	0	1	0
248 Sub Distribution		1,064		979	35	50	0
OnSite:							
249 Customer Service - Administrative	901	0		0	0	0	0
250 Meter Reading Expenses	902	0		0	0	0	0
251 Customer Records & Collection Expense	903	0		0	0	0	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	285		266	18	2	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	420		0	376	44	0
256 Sub OnSite		705		266	394	46	0
257 TOTAL:		1,769		1,245	429	96	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 66 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
1. RATE BASE							
I. GAS PLANT IN SERVICE							
A. INTANGIBLE PLANT							
1 Organization	301	4	ONSITE_RATEBASE-C	3	0	0	0
2 Intangible Plant - Software- Labor	303Lab	1,554	ONSITELABOR-C	1,297	125	132	0
3 Intangible Plant - Software- Customer	303Cust	2,743	Cust_Avg	2,553	170	20	0
4 Intangible Plant - Software- Plant	303Plt	0	None	0	0	0	0
5 Miscellaneous Intangible Plant - READI	303READI	15,628	Cust_Avg	14,549	967	112	0
6 Subtotal - INTANGIBLE ASSETS	301-303	19,928		18,402	1,262	264	0
B. PRODUCTION & GATHERING PLANT							
7 Production and Gathering - Direct Assign.	304-338 DA	0	None	0	0	0	0
8 Subtotal - PRODUCTION & GATHERING PLANT	304-338	0		0	0	0	0
C. STORAGE PLANT							
9 Storage Plant	360-368	0	None	0	0	0	0
10 Subtotal - STORAGE PLANT	360-368	0		0	0	0	0
D. TRANSMISSION PLANT							
11 Transmission plant	365-370	0	None	0	0	0	0
12 Transmission - Mains	367	0	None	0	0	0	0
13 Transmission plant - Direct Assign.	365-370 DA	0	None	0	0	0	0
14 Transmission - Mains - Direct Assign.	367 DA	0	None	0	0	0	0
15 Subtotal - TRANSMISSION PLANT	365-370	0		0	0	0	0
E. DISTRIBUTION PLANT							
16 Land and Land Rights	374	0	None	0	0	0	0
17 Land and Land Rights - Direct Assign.	374 DA	0	None	0	0	0	0
18 Structures and Improvements	375	0	None	0	0	0	0
19 Mains	376	0	None	0	0	0	0
20 Mains - Direct Assign.	376 DA	0	None	0	0	0	0
21 Meas. & Reg. Stat. Equip. - General	378	0	None	0	0	0	0
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	0	None	0	0	0	0
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	0	None	0	0	0	0
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	None	0	0	0	0
25 Services	380	0	None	0	0	0	0
26 Meters	381	17,775	Meter_Invest	12,344	1,821	3,610	0
27 Meter Installations	382	9,208	Meter_Invest	6,395	943	1,870	0
28 House Regulators	383	5,656	Account 383/384	3,852	865	939	0
29 House Regulator Installations	384	1,514	Account 383/384	1,031	231	251	0
30 Ind. Meas. & Reg. Station Equip.	385	441	GSL Direct	0	0	441	0
31 Property on Customers' Premises	386	15,838	Account386	14,394	356	1,087	0
32 Other Equipment	387	0	None	0	0	0	0
33 Subtotal - DISTRIBUTION PLANT	374-387	50,432		38,017	4,217	8,199	0

EQUITABLE COMPANY
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ITEM: \$ 53.5
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 67 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
F. GENERAL PLANT							
34 Land and Land Rights	389	5	ONSITEPT-C	4	0	1	0
35 Structures and Improvements	390	477	ONSITEPT-C	360	40	78	0
36 Structures and Improvements - Direct Assign.	390 DA	0	None	0	0	0	0
37 Office Furniture and Equipment	391	744	ONSITEPT-C	561	62	121	0
38 Office Furniture and Equipment - Direct Assign.	391 DA	0	None	0	0	0	0
39 Transportation Equipment	392	626	ONSITEPT-C	472	52	102	0
40 Stores Equipment	393	3	ONSITEPT-C	2	0	0	0
41 Tools & Garage Equipment	394	260	ONSITEPT-C	196	22	42	0
42 Tools & Garage Equipment - Direct Assign.	394 DA	0	None	0	0	0	0
43 Laboratory Equipment	395	0	None	0	0	0	0
44 Power Operated Equipment	396	192	ONSITEPT-C	145	16	31	0
45 Communication Equipment	397	421	ONSITEPT-C	318	35	68	0
46 Communication Equipment - Direct Assign.	397 DA	0	None	0	0	0	0
47 Miscellaneous Equipment	398	2	ONSITEPT-C	1	0	0	0
48 Miscellaneous Equipment - Direct Assign.	398 DA	10	GSL Direct	0	0	10	0
49 Subtotal - GENERAL PLANT	389-399	2,740		2,058	228	454	0
50 TOTAL UTILITY PLANT		73,101		58,477	5,708	8,917	0
II. DEPRECIATION RESERVE							
51 Intangible Plant	108	6,768	ONSITEPT-C_INT	6,250	429	90	0
52 Production & Gathering Plant	108.2	0	None	0	0	0	0
53 Production & Gathering Plant - Direct Assign.	108.2 DA	0	None	0	0	0	0
54 Local Storage Plant	108.3	0	None	0	0	0	0
55 Transmission Plant	108.4	0	None	0	0	0	0
56 Transmission Plant - Direct Assign.	108.4 DA	0	None	0	0	0	0
57 Mains	109	0	None	0	0	0	0
58 Services	109	0	None	0	0	0	0
59 Meters	109	12,975	Meter_Invest	9,011	1,329	2,635	0
60 Distr Other	109	7,072	ONSITE-CxMSM	5,814	438	820	0
61 General Plant	109	1,181	ONSITEPT-C	890	99	192	0
62 General Plant - Direct Assign.	108.8 DA	0	None	0	0	0	0
63 TOTAL DEPRECIATION RESERVE	108	27,996		21,964	2,295	3,737	0
III. OTHER RATE BASE ITEMS							
64 Materials and Supplies		54	ONSITEPT-C	41	5	9	0
65 Current Gas Storage		0	None	0	0	0	0
66 Prepayments		122	ONSITEO&MXGAS-C	107	7	8	1
67 Deferred Income Taxes - Depreciation		(6,586)	ONSITEPT-C	(4,964)	(551)	(1,071)	0
68 Deferred Income Taxes - Direct Assign.		0	None	0	0	0	0
69 Deferred ITC		(316)	ONSITEPT-C	(238)	(26)	(51)	0
70 Customer Deposits		0	None	0	0	0	0
71 TOTAL OTHER RATE BASE ITEMS		(6,725)		(5,055)	(566)	(1,105)	1
72 TOTAL RATE BASE (Excl. Working Capital)		38,380		31,457	2,847	4,075	1
73 Working Capital	131	4,135		3,569	262	304	0
74 TOTAL RATE BASE		42,515		35,026	3,108	4,380	1

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 68 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
2. EXPENSES							
I. OPERATION & MAINTENANCE EXPENSE							
A. PRODUCTION & GATHERING EXPENSES							
75 Operations Expense	750-756	0	None	0	0	0	0
76 Maintenance Expense	761-765	0	None	0	0	0	0
77 Subtotal - Production and Gathering	750-765	0		0	0	0	0
B. OTHER GAS SUPPLY EXPENSES							
78 Natural gas field line purchases	801	0	None	0	0	0	0
79 Natural gas transmission line purchases	803	0	None	0	0	0	0
80 Natural Gas City Gate Purchases	804	0	None	0	0	0	0
81 Other Natural Gas Purchases	805	0	None	0	0	0	0
82 Well Expenses - Purchased Gas	807	0	None	0	0	0	0
83 Maintenance of Purchased Gas Meas. Sta.	807	0	None	0	0	0	0
84 Gas Withdrawn from Storage	808	0	None	0	0	0	0
85 Gas Delivered to Storage	808	0	None	0	0	0	0
86 Other Gas Supply Expense	813	0	None	0	0	0	0
87 Subtotal - OTHER GAS SUPPLY EXPENSES	800-813	0		0	0	0	0
C. NATURAL GAS STORAGE							
88 LNG Operating Exp Admin	840	0	None	0	0	0	0
89 Operating Exp- Admin	850	0	None	0	0	0	0
90 Subtotal - NATURAL GAS STORAGE	840-850	0		0	0	0	0
D. TRANSMISSION EXPENSES							
91 Transmission expenses	856-863						
92 Subtotal- Transmission Expenses	856-863	0	None	0	0	0	0
E. DISTRIBUTION EXPENSES							
93 Operation Supv & Engineering	870	116	ONSITEDistPT-C	80	13	24	0
94 Load Dispatching	871	0	None	0	0	0	0
95 Compressor Station Fuel and Power	873	0	None	0	0	0	0
96 Mains and Services Expenses	874	0	None	0	0	0	0
97 Meas. & Reg. Station Expense General	875	0	None	0	0	0	0
98 Meas. & Reg. Station Expense Industrial	876	0	None	0	0	0	0
99 Meter & House Regulator Expenses	878	6,062	ONSITE-MR-C	4,193	685	1,184	0
100 Customer Installation Expense	879	62	RS Direct	62	0	0	0
101 Other Expenses - Safety and Environmental	880	172	ONSITEO&MxAVC880-C	123	18	31	0
102 Other Expenses	880	177	ONSITEO&Mx880xAGS-C	127	18	32	0
103 Distribution Rents	881	40	ONSITEDistPT-C	27	4	8	0
104 Maint. Supervision & Engineering	885	0	None	0	0	0	0
105 Maintenance of Structures & Improvements	886	0	None	0	0	0	0
106 Maint. of Mains	887	0	None	0	0	0	0
107 Maint Of Meas. & Reg. Station Expense General	889	0	None	0	0	0	0
108 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0	None	0	0	0	0
109 Maint. of Services	892	663	Service_Invest	626	6	31	0
110 Maint. of Meters & House Regulators	893	107	ONSITE-MR-C	74	12	21	0
111 Maintenance of Other Equipment	894	0	None	0	0	0	0
112 Subtotal - DISTRIBUTION EXPENSES	870-894	7,398		5,311	757	1,330	0
113 TOTAL OPERATION & MAINTENANCE EXPENSES		7,398		5,311	757	1,330	0

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 69 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
II. CUSTOMER ACCOUNTS EXPENSES							
114 Customer Service - Administrative	901	225	Acct901-903,908	210	14	2	0
115 Meter Reading Expenses	902	587	Acct901-903,908	546	36	4	0
116 Customer Records & Collection Expense	903	10,270	Acct901-903,908	9,561	636	74	0
117 Uncollectible Accounts	904	25,050	Account904	23,515	540	995	0
118 Miscellaneous Customer Accounts Expenses	905	0	None	0	0	0	0
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132		33,832	1,225	1,075	0
III. CUSTOMER SERVICE & INFORMATIONAL EXPENSES							
120 Operation Supervision	907	0	None	0	0	0	0
121 Customer Assist- Other	908	0	None	0	0	0	0
122 Other Customer Service & Informational Expense	910	0	None	0	0	0	0
123 Supervision	911	0	None	0	0	0	0
124 Demonstration	912	0	None	0	0	0	0
125 Advertising expense	913	0	None	0	0	0	0
126 TOTAL CUSTOMER SERVICE & INFORMATIONAL EXPENSES		0		0	0	0	0
127 TOTAL CUSTOMER ACCOUNTS, SERVICES & SALES I		36,132		33,832	1,225	1,075	0
IV. ADMINISTRATIVE & GENERAL EXPENSES							
A. Labor-Related:							
128 Administrative & General Salaries	920	2,762	ONSITELABOR-C	2,305	222	235	0
129 Administrative & General Salaries - Direct Assign.	920 DA	256	AGS Direct	0	0	0	256
130 Office Supplies & Expenses	921	380	ONSITELABOR-C	317	31	32	0
131 Outside Services Employed - Resid.	923	84	RS Direct	84	0	0	0
132 Outside Services Employed - Labor	923L	1,691	ONSITELABOR-C	1,411	136	144	0
133 Injuries & Damages	925Labor	157	ONSITELABOR-C	131	13	13	0
134 Employee Pensions and Benefits	926	2,662	ONSITELABOR-C	2,222	214	227	0
135 Rents	931	1,872	ONSITELABOR-C	1,562	150	159	0
136 Subtotal - O&M Accounts 920-923, 925L, 926		9,864		8,032	766	811	256
B. Plant-Related:							
137 Property Insurance	924	20	ONSITEPT-C	15	2	3	0
138 Outside Services Employed-plant	923p	8	ONSITEPT-C	6	1	1	0
139 Injuries & Damages	925Plant	251	ONSITEPT-C	189	21	41	0
140 Misc. Maintenance Expense	932	75	ONSITEPT_GEN-C	56	6	12	0
141 Misc. Maintenance Expense - Direct Assign.	932 DA	3	AGS Direct	0	0	0	3
142 Subtotal - O&M Accounts 924-925P		358		267	30	58	3
C. Other-Related:							
143 Administrative Expenses Transferred	922	(6)	ONSITE_PT_O&M-C	(4)	(1)	(1)	0
144 Outside Services Employed-cust	923c	0	None	0	0	0	0
145 Outside Services Employed-plant-O&M	923p-om	1,167	ONSITE_PT_O&M-C	859	108	200	0
146 Outside Services Employed-plant-O&M - Direct Assign.	923p-om DA	33	AGS Direct	0	0	0	33
147 Regulatory Commission Expenses	928	86	Onsi_PT_O&MxAGS-C	63	8	15	0
148 General Advertising Expense	930.1	33	Onsi_PT_O&MxAGS-C	25	3	6	0
149 Miscellaneous General Expenses	930.2	26	ONSITE_PT_O&M-C	19	2	4	0
150 Subtotal - O&M Accounts 928-935		1,340		961	121	224	33
151 TOTAL ADMINISTRATIVE & GENERAL EXPENSES		11,561		9,260	917	1,092	292
152 TOTAL OPERATING EXPENSES (Excl Depr, Tax and Gr		55,092		48,403	2,899	3,497	292

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(8)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 70 OF 85

Account <u>Description</u>	Account <u>Code</u>	ONSITE CUSTOMER <u>Dollars</u>	Allocation <u>Factor</u>	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
V. DEPRECIATION EXPENSE							
153 Intangible Plant	180Int	2,005	ONSITEPT-C_INT	1,851	127	27	0
154 Production & Gathering Plant - Direct Assign.	180ProdGth DA	0	None	0	0	0	0
155 Local Storage Plant	180Stor	0	None	0	0	0	0
156 Transmission Plant	180Trans	0	None	0	0	0	0
157 Transmission Plant - Direct Assign.	180Trans DA	0	None	0	0	0	0
158 Mains (Distribution)	180Mains	0	None	0	0	0	0
159 Services	180Services	0	None	0	0	0	0
160 Meters	180Meters	796	Meter_Invest	553	82	162	0
161 Distr Other	180Dist	1,012	ONSITE-CxMSM	832	63	117	0
162 General Plant	180Gen	247	ONSITEPT_GEN-C	186	21	41	0
163 General Plant - Direct Assign.	180Gen DA	0	None	0	0	0	0
164 Adjustments		0	None	0	0	0	0
165 TOTAL DEPRECIATION EXPENSE	403	4,060		3,422	292	347	0
VI. TAXES							
166 PA PUC Assessment		0	None	0	0	0	0
167 Local property taxes		4	ONSITEPT-C	3	0	1	0
168 Public utility reality tax		33	ONSITEPT-C	25	3	5	0
169 State capital stock tax		33	ONSITEPT-C	25	3	5	0
170 Miscellaneous tax		0	None	0	0	0	0
171 Subtotal- Taxes Other Than Income Taxes	408	70		53	6	11	0
B. Income Tax Expense							
172 State Income Tax expense		(362)	PreTax-OnSi-C	(248)	(33)	(68)	(13)
173 Federal Income Tax expense		1,924	PreTax-OnSi-C	1,316	176	364	68
174 Investment Tax Credit - Amortization		(2)	PreTax-OnSi-C	(1)	(0)	(0)	(0)
175 Subtotal- Income tax expense		1,560		1,067	143	295	55
176 TOTAL TAX EXPENSE		1,630		1,119	149	306	55
177 TOTAL EXPENSES		60,782		52,945	3,340	4,150	347
3. REVENUES at Present Rates							
178 Sales and Transport Revenue	480-483	48,730	Delivery_Rev	33,238	4,566	9,250	1,676
179 Forfeited Discounts		1,558	Account904	1,462	34	62	0
180 Miscellaneous Service Revenue		1,209	Misc_Ser_Rev	1,163	40	5	0
181 Other Operating Revenue		0	None	0	0	0	0
182 Subtotal- Gas Revenues, net		51,497		35,864	4,640	9,316	1,676
183 TOTAL REVENUE		51,497		35,864	4,640	9,316	1,676
184 TOTAL EXPENSES		60,782		52,945	3,340	4,150	347
185 NET INCOME at Present Rates		(9,285)		(17,081)	1,300	5,167	1,329

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.1(1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 71 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
SUMMARY							
186	Total revenues	51,497		35,864	4,640	9,316	1,676
187	Total Operating Expenses	55,092		48,403	2,899	3,497	292
188	Depreciation Expense	4,060		3,422	292	347	0
189	Taxes other than Income	<u>70</u>		<u>53</u>	<u>6</u>	<u>11</u>	<u>0</u>
190	Total Other Expenses	4,131		3,475	298	358	0
191	Income tax expense	1,560		1,067	143	295	55
192	Total expenses	60,782		52,945	3,340	4,150	347
193	NET INCOME at Present Rates	(9,285)		(17,081)	1,300	5,167	1,329
194	Total Rate Base	42,515		35,026	3,108	4,380	1
195							
REVENUE REQUIREMENTS							
196	Target ROR	8.89%		8.89%	8.89%	8.89%	8.89%
197	Using Target for System						
198	Rate Base	42,515		35,026	3,108	4,380	1
199	Operating expenses	55,092		48,403	2,899	3,497	292
200	Depreciation expense	4,060		3,422	292	347	0
201	Taxes other than Income	<u>70</u>		<u>53</u>	<u>6</u>	<u>11</u>	<u>0</u>
202	Operating expenses to recover	59,222		51,878	3,197	3,855	292
203	Target Return on Rate Base- After taxes	3,780		3,114	276	389	0
204	Income taxes to recover	1,861	49.2%	1,533	136	192	0
205	Additional expenses	1,103	RS Direct	1,103	0	0	0
206	TOTAL REVENUE REQUIREMENT	<u>65,966</u>		<u>57,628</u>	<u>3,609</u>	<u>4,436</u>	<u>292</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 72 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
<u>Working Capital Subreport</u>							
207	Accounts Receivable- Gas	0	None	0	0	0	0
208	Accounts Receivable- Other	0	None	0	0	0	0
209	Accrued Gas Revenues	0	None	0	0	0	0
210	Accounts Receivable, Total	0		0	0	0	0
211	Gas, LNG in Storage	0	None	0	0	0	0
212	Inventories & Other, Total	0		0	0	0	0
213	Accounts Payable, Natural Gas	0	None	0	0	0	0
214	Accounts Payable, Other- Labor	1,333	ONSITELABOR-C	1,112	107	113	0
215	Accounts Payable, Other- O&MxGas	2,818	ONSITEO&MxGASxAGS-C	2,468	156	193	0
216	Accounts Payable, Total	4,150		3,581	263	307	0
217	Accrued interest	(66)	ONSITEPT-C	(50)	(6)	(11)	0
218	Other, net	50	ONSITEPT-C	38	4	8	0
219	Defd Items & Other, Total	(16)		(12)	(1)	(3)	0
220	Total Working Capital	4,135		3,569	262	304	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 73 OF 85

Account Description	Account Code	ONSITE CUSTOMER Dollars	Allocation Factor	ONSITE CUSTOMER Class Allocation			
				Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
LABOR REPORT							
PRODUCTION AND GATHERING:							
221 Production and Gathering O&M	750-765	0		0	0	0	0
222 Purchased Gas Expense	807	0		0	0	0	0
223 Other Gas Supply Expense	813	0		0	0	0	0
224 Sub Production		0		0	0	0	0
STORAGE:							
225 LNG Operating Exp Admin	840						
226 Operating Exp- Admin	850						
227 Sub Storage		0		0	0	0	0
TRANSMISSION:							
228 Transmission expenses	856-863						
229 Sub Transmission		0		0	0	0	0
DISTRIBUTION:							
230 Operation Supv & Engineering	870	82		56	9	17	0
231 Load Dispatching	871	0		0	0	0	0
232 Compressor Station Fuel and Power	873	0		0	0	0	0
233 Mains and Services Expenses	874	0		0	0	0	0
234 Meas. & Reg. Station Expense General	875	0		0	0	0	0
235 Meas. & Reg. Station Expense Industrial	876	0		0	0	0	0
236 Meter & House Regulator Expenses	878	2,825		1,954	319	552	0
237 Customer Installation Expense	879	6		6	0	0	0
238 Other Expenses - Safety and Environmental	880	47		34	5	8	0
239 Other Expenses	880	48		35	5	9	0
240 Maint. Supervision & Engineering	885	0		0	0	0	0
241 Maintenance of Structures & Improvements	886	0		0	0	0	0
242 Maint. of Mains	887	0		0	0	0	0
243 Maint Of Meas. & Reg. Station Expense General	889	0		0	0	0	0
244 Maint Of Meas. & Reg. Sta. Exp. City Gate Check Station	891	0		0	0	0	0
245 Maint. of Services	892	300		283	3	14	0
246 Maint. of Meters & House Regulators	893	46		32	5	9	0
247 Maintenance of Other Equipment	894	0		0	0	0	0
248 Sub Distribution		3,355		2,400	346	609	0
OnSite:							
249 Customer Service - Administrative	901	174		162	11	1	0
250 Meter Reading Expenses	902	144		134	9	1	0
251 Customer Records & Collection Expense	903	3,828		3,563	237	27	0
252 Operation Supervision	907	0		0	0	0	0
253 Customer Assist- Other	908	0		0	0	0	0
254 Supervision	911	0		0	0	0	0
255 Demonstration	912	0		0	0	0	0
256 Sub OnSite		4,145		3,859	257	30	0
257 TOTAL:		7,500		6,259	603	638	0

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 74 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
1. RATE BASE									
I. GAS PLANT IN SERVICE									
A. INTANGIBLE PLANT									
1 Organization	301	50	RATEBASE	PRDGTHBASE	P&G_RATEBASE-E	STORBASE	OR_RATEBAS	TRANBASE	RAN_RATEBASE-I
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	PRDGTHPT	PRDGTHPT-E	-	-	DEMAND	TRANSLABOR-D
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	-	-	-	-	-	-
4 Intangible Plant - Software- Plant	303Pit	2,485	DIST	-	-	-	-	-	-
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	-	-	-	-	-	-
8 Subtotal - INTANGIBLE ASSETS	301-303	24,248							
B. PRODUCTION & GATHERING PLANT									
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	COMMODITY	AGS Direct	-	-	-	-
8 Subtotal - PRODUCTION & GATHERING P	304-338	28,445							
C. STORAGE PLANT									
9 Storage Plant	360-368	0	-	-	-	-	-	-	-
10 Subtotal - STORAGE PLANT	360-368	0							
D. TRANSMISSION PLANT									
11 Transmission plant	365-370	106	TRANS	-	-	-	-	DEMAND	Peak&Avg
12 Transmission - Mains	367	1,243	TRANS	-	-	-	-	DEMAND	Peak&Avg
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	-	-	-	-	DEMAND	AGS Direct
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	-	-	-	-	DEMAND	AGS Direct
15 Subtotal - TRANSMISSION PLANT	365-370	32,350							
E. DISTRIBUTION PLANT									
16 Land and Land Rights	374	1,893	DIST	-	-	-	-	-	-
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	-	-	-	-	-	-
18 Structures and Improvements	375	2,111	DIST	-	-	-	-	-	-
19 Mains	376	457,729	DIST	-	-	-	-	-	-
20 Mains - Direct Assign.	376 DA	10,267	DIST	-	-	-	-	-	-
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	-	-	-	-	-	-
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	-	-	-	-	-	-
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	-	-	-	-	-	-
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	-	-	-	-	-	-	-
25 Services	380	226,432	DIST	-	-	-	-	-	-
26 Meters	381	17,775	ONSITE	-	-	-	-	-	-
27 Meter Installations	382	9,208	ONSITE	-	-	-	-	-	-
28 House Regulators	383	5,656	ONSITE	-	-	-	-	-	-
29 House Regulator Installations	384	1,514	ONSITE	-	-	-	-	-	-
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	-	-	-	-	-	-
31 Property on Customers' Premises	386	15,838	ONSITE	-	-	-	-	-	-
32 Other Equipment	387	324	DIST	-	-	-	-	-	-
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793							

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 75 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
1. RATE BASE								
1. GAS PLANT IN SERVICE								
A. INTANGIBLE PLANT								
1 Organization	301	50	RATEBASE	DISTBASE	DIST_RATEBASE-D	DIST_RATEBASE-C	ONSITE_RB	ONSITE_RATEBASE-C
2 Intangible Plant - Software- Labor	303Lab	3,342	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
3 Intangible Plant - Software- Customer	303Cust	2,743	ONSITE	-	-	-	CUST	Cust_Avg
4 Intangible Plant - Software- Plant	303Pit	2,485	DIST	DISTPT	DISTOnlyPT-D	DISTOnlyPT-C	-	-
5 Miscellaneous Intangible Plant - READI	303READI	15,628	ONSITE	-	-	-	CUST	Cust_Avg
6 Subtotal - INTANGIBLE ASSETS	301-303	24,248						
B. PRODUCTION & GATHERING PLANT								
7 Production and Gathering - Direct Assign.	304-338 DA	28,445	PRODGATH	-	-	-	-	-
8 Subtotal - PRODUCTION & GATHERING I	304-338	28,445						
C. STORAGE PLANT								
9 Storage Plant	360-368	0	-	-	-	-	-	-
10 Subtotal - STORAGE PLANT	360-368	0						
D. TRANSMISSION PLANT								
11 Transmission plant	365-370	106	TRANS	-	-	-	-	-
12 Transmission - Mains	367	1,243	TRANS	-	-	-	-	-
13 Transmission plant - Direct Assign.	365-370 DA	14,171	TRANS	-	-	-	-	-
14 Transmission - Mains - Direct Assign.	367 DA	16,830	TRANS	-	-	-	-	-
15 Subtotal - TRANSMISSION PLANT	365-370	32,350						
E. DISTRIBUTION PLANT								
16 Land and Land Rights	374	1,893	DIST	DISTOnlyPT	Peak&Avg	DISTOnlyPT-C	-	-
17 Land and Land Rights - Direct Assign.	374 DA	564	DIST	DEMAND	GSL Direct	-	-	-
18 Structures and Improvements	375	2,111	DIST	DISTOnlyPT	Peak&Avg	DISTOnlyPT-C	-	-
19 Mains	376	457,729	DIST	MAINS	Peak&Avg	-	-	-
20 Mains - Direct Assign.	376 DA	10,267	DIST	DEMAND	GSL Direct	-	-	-
21 Meas. & Reg. Stat. Equip. - General	378	16,126	DIST	DEMAND	Peak&Avg	-	-	-
22 Meas. & Reg. Stat. Equip. - Direct Assign.	378 DA	1,469	DIST	DEMAND	GSL Direct	-	-	-
23 Meas. & Reg. Stat. Equip. - Odorization	378odr	447	DIST	DEMAND	Peak&Avg	-	-	-
24 Meas. & Reg. Stat. Equip. - City Gate	379	0	-	-	-	-	-	-
25 Services	380	226,432	DIST	CUST	-	Service_Invest	-	-
26 Meters	381	17,775	ONSITE	-	-	-	CUST	Meter_Invest
27 Meter Installations	382	9,208	ONSITE	-	-	-	CUST	Meter_Invest
28 House Regulators	383	5,656	ONSITE	-	-	-	CUST	Account 383/384
29 House Regulator Installations	384	1,514	ONSITE	-	-	-	CUST	Account 383/384
30 Ind. Meas. & Reg. Station Equip.	385	441	ONSITE	-	-	-	CUST	GSL Direct
31 Property on Customers' Premises	386	15,838	ONSITE	-	-	-	CUST	Account386
32 Other Equipment	387	324	DIST	CUST	-	GSS Direct	-	-
33 Subtotal - DISTRIBUTION PLANT	374-387	767,793						

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 76 OF 85

Account	Account	Total	Functional	Classification	Commodity	Classification	Demand	Classification	Demand
Description	Account	Dollars	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator	Allocator
F. GENERAL PLANT									
34 Land and Land Rights	389	78	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
35 Structures and Improvements	390	7,842	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
36 Structures and Improvements - Direct Assign	390 DA	67	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
37 Office Furniture and Equipment	391	12,224	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
38 Office Furniture and Equipment - Direct Assign	391 DA	2	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
39 Transportation Equipment	392	10,288	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
40 Stores Equipment	393	47	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
41 Tools & Garage Equipment	394	4,271	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
43 Laboratory Equipment	395	0	-	-	-	-	-	-	-
44 Power Operated Equipment	396	3,155	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
45 Communication Equipment	397	6,923	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
46 Communication Equipment - Direct Assign.	397 DA	6	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
47 Miscellaneous Equipment	398	32	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	PLANTxAGS	-	-	-	-	DEMAND	GSL Direct
49 Subtotal - GENERAL PLANT	389-399	45,118							
50 TOTAL UTILITY PLANT									
II. DEPRECIATION RESERVE									
51 Intangible Plant	108	8,236	INTANG_PT	PRDGTHTPT	PRDGTHTPT-E	DEMAND	OR_RATEBASE	DEMAND	TRAN_RATEBASE
52 Production & Gathering Plant	108.2	0	-	-	-	-	-	-	-
53 Production & Gathering Plant - Direct Assign	108.2 DA	8,153	PROD GATH	COMMODITY	AGS Direct	-	-	-	-
54 Local Storage Plant	108.3	0	-	-	-	-	-	-	-
55 Transmission Plant	108.4	658	TRANS	-	-	-	-	DEMAND	Peak&Avg
56 Transmission Plant - Direct Assign.	108.4 DA	11,969	TRANS	-	-	-	-	DEMAND	AGS Direct
57 Mains	109	130,432	DIST	-	-	-	-	-	-
58 Services	109	83,524	DIST	-	-	-	-	-	-
59 Meters	109	12,975	ONSITE	-	-	-	-	-	-
60 Distr Other	109	13,987	DIST_xMSM	-	-	-	-	-	-
61 General Plant	109	19,396	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
62 General Plant - Direct Assign.	108.8 DA	21	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
63 TOTAL DEPRECIATION RESERVE	108	289,353							
III. OTHER RATE BASE ITEMS									
64 Materials and Supplies		887	PLANT	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
65 Current Gas Storage		75,176	STOR	-	-	DEMAND	Storage	-	-
66 Prepayments		234	O&MxGas	PRDGTHTPT	PRDGTHTPT-E	-	-	DEMAND	Peak&Avg
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	-	-	-	-	DEMAND	TRAN_PT xAGS-D
68 Deferred Income Taxes - Direct Assign.		(2,423)	PLANT_AGS	PRDGTHTPT	AGS Direct	-	-	DEMAND	AGS Direct
69 Deferred ITC		(4,903)	PLANTxAGS	-	-	-	-	DEMAND	TRAN_PT xAGS-D
70 Customer Deposits		(3,370)	DIST	-	-	-	-	-	-
71 TOTAL OTHER RATE BASE ITEMS		(36,684)							
72 TOTAL RATE BASE (Excl. Working Capital)		571,917							
73 Working Capital	131	11,335							
74 TOTAL RATE BASE		583,253							

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.50 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 77 OF 85

				DISTRIBUTION			ONSITE	
Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
F. GENERAL PLANT								
34 Land and Land Rights	389	78	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
35 Structures and Improvements	390	7,842	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
36 Structures and Improvements - Direct Assign	390 DA	67	PLANT_AGS	-	-	-	-	-
37 Office Furniture and Equipment	391	12,224	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
38 Office Furniture and Equipment - Direct Assign	391 DA	2	PLANT_AGS	-	-	-	-	-
39 Transportation Equipment	392	10,288	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
40 Stores Equipment	393	47	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
41 Tools & Garage Equipment	394	4,271	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
42 Tools & Garage Equipment - Direct Assign.	394 DA	26	PLANT_AGS	-	-	-	-	-
43 Laboratory Equipment	395	0	-	-	-	-	-	-
44 Power Operated Equipment	396	3,155	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
45 Communication Equipment	397	6,923	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
46 Communication Equipment - Direct Assign.	397 DA	6	PLANT_AGS	-	-	-	-	-
47 Miscellaneous Equipment	398	32	PLANT	DISTPT	DISTPT-D	DISTOnlyPT-C	CUST	ONSITEPT-C
48 Miscellaneous Equipment - Direct Assign.	398 DA	156	PLANTxAGS	DISTPT	GSL Direct	GSL Direct	CUST	GSL Direct
49 Subtotal - GENERAL PLANT	389-399	45,118						
50 TOTAL UTILITY PLANT								
II. DEPRECIATION RESERVE								
51 Intangible Plant	108	8,236	INTANG_PT	DISTPT_INT	DISTPT-D_INT	DISTPT-C_INT	CUST	ONSITEPT-C_INT
52 Production & Gathering Plant	108.2	0	-	-	-	-	-	-
53 Production & Gathering Plant - Direct Assign	108.2 DA	8,153	PRODGATH	-	-	-	-	-
54 Local Storage Plant	108.3	0	-	-	-	-	-	-
55 Transmission Plant	108.4	658	TRANS	-	-	-	-	-
56 Transmission Plant - Direct Assign.	108.4 DA	11,989	TRANS	-	-	-	-	-
57 Mains	109	130,432	DIST	MAINS	DISTMAIN-D	-	-	-
58 Services	109	83,524	DIST	CUST	-	Service_Invest	-	-
59 Meters	109	12,975	ONSITE	-	-	-	CUST	Meter_Invest
60 Distr Other	109	13,987	DIST_xMSM	DISTPT_xMSM	DISTPT-DxMSM	DISTPT-CxMSM	CUST	ONSITE-CxMSM
61 General Plant	109	19,386	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
62 General Plant - Direct Assign.	108.8 DA	21	PLANT_AGS	-	-	-	-	-
63 TOTAL DEPRECIATION RESERVE	108	289,353						
III. OTHER RATE BASE ITEMS								
64 Materials and Supplies		887	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
65 Current Gas Storage		75,176	STOR	-	-	-	-	-
66 Prepayments		234	O&MxGas	DISTO&MxGas	DISTO&MXGAS-D	DISTO&MXGAS-C	ONSITEO&MxGas	ONSITEO&MXGAS-C
67 Deferred Income Taxes - Depreciation		(102,286)	PLANTxAGS	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
68 Deferred Income Taxes - Direct Assign.		(2,423)	PLANT_AGS	-	-	-	-	-
69 Deferred ITC		(4,903)	PLANTxAGS	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
70 Customer Deposits		(3,370)	DIST	CUST	-	Deposits	-	-
71 TOTAL OTHER RATE BASE ITEMS		(36,684)						
72 TOTAL RATE BASE (Excl. Working Capital)		571,917						
73 Working Capital	131	11,335						
74 TOTAL RATE BASE		583,253						

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.91(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 78 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
2. EXPENSES									
I. OPERATION & MAINTENANCE EXPEN:									
A. PRODUCTION & GATHERING EXPEN:									
75 Operations Expense	750-756	1,043	PRODGATH	PRDGTHTPT	PRDGTHTPT-E	-	-	-	-
76 Maintenance Expense	761-765	1,766	PRODGATH	PRDGTHTPT	PRDGTHTPT-E	-	-	-	-
77 Subtotal - Production and Gathering	750-765								
B. OTHER GAS SUPPLY EXPENSES									
78 Natural gas field line purchases	801	0	-	-	-	-	-	-	-
79 Natural gas transmission line purchases	803	0	-	-	-	-	-	-	-
80 Natural Gas City Gate Purchases	804	0	-	-	-	-	-	-	-
81 Other Natural Gas Purchases	805	0	-	-	-	-	-	-	-
82 Well Expenses - Purchased Gas	807	0	-	-	-	-	-	-	-
83 Maintenance of Purchased Gas Meas. Sta.	807	0	-	-	-	-	-	-	-
84 Gas Withdrawn from Storage	808	0	-	-	-	-	-	-	-
85 Gas Delivered to Storage	808	0	-	-	-	-	-	-	-
86 Other Gas Supply Expense	813	391	PRODGATH	COMMODITY	Account813	-	-	-	-
87 Subtotal - OTHER GAS SUPPLY EXPENS	800-813	391							
C. NATURAL GAS STORAGE									
88 LNG Operating Exp Admin	840	0	-	-	-	-	-	-	-
89 Operating Exp- Admin	850	0	-	-	-	-	-	-	-
90 Subtotal - NATURAL GAS STORAGE	840-850	0							
D. TRANSMISSION EXPENSES									
91 Transmission expenses	856-863	0	-	-	-	-	-	-	-
92 Subtotal- Transmission Expenses	856-863	0							
E. DISTRIBUTION EXPENSES									
93 Operation Supv & Engineering	870	1,773	DIST_PT	-	-	-	-	-	-
94 Load Dispatching	871	112	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
95 Compressor Station Fuel and Power	873	(0)	-	-	-	-	-	-	-
96 Mains and Services Expenses	874	5,088	N_SERV_TRANM	-	-	-	-	TRANS_MAINS	TRANS_MAINS-D
97 Meas. & Reg. Station Expense General	875	100	DIST	-	-	-	-	-	-
98 Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-	-
99 Meter & House Regulator Expenses	878	6,062	ONSITE	-	-	-	-	-	-
100 Customer Installation Expense	879	62	ONSITE	-	-	-	-	-	-
101 Other Expenses - Safety and Environment	880	632	O&MxAcct880	PRDGTHTO&MxA/C880	PRDGTHTO&MxA/C880	-	-	DEMAND	RANO&MxA/C880-
102 Other Expenses	880	650	O&MxAcct880	PRDGTHTO&MxA/C880	P&G_O&Mx880xAGS	-	-	DEMAND	RANO&Mx880xAGS
103 Distribution Rents	881	602	DIST_PT	-	-	-	-	-	-
104 Maint. Supervision & Engineering	885	885	DIST	-	-	-	-	-	-
105 Maintenance of Structures & Improvements	886	516	DIST	-	-	-	-	-	-
106 Maint. of Mains	887	5,521	DIST	-	-	-	-	-	-
107 Maint Of Meas. & Reg. Station Expense Gr	889	1,192	DIST	-	-	-	-	-	-
108 Maint Of Meas. & Reg. Sta. Exp. City Gate	891	10	DIST	-	-	-	-	-	-
109 Maint. of Services	892	663	ONSITE	-	-	-	-	-	-
110 Maint. of Meters & House Regulators	893	107	ONSITE	-	-	-	-	-	-
111 Maintenance of Other Equipment	894	67	DIST	-	-	-	-	-	-
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042							
113 TOTAL OPERATION & MAINTENANCE E:		27,242							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.51(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 79 OF 85

				DISTRIBUTION			ONSITE	
Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
2. EXPENSES								
I. OPERATION & MAINTENANCE EXPEN:								
A. PRODUCTION & GATHERING EXPEN:								
75 Operations Expense	750-756	1,043	PRODGATH	-	-	-	-	-
76 Maintenance Expense	761-765	1,766	PRODGATH	-	-	-	-	-
77 Subtotal - Production and Gathering	750-765							
B. OTHER GAS SUPPLY EXPENSES								
78 Natural gas field line purchases	801	0	-	-	-	-	-	-
79 Natural gas transmission line purchases	803	0	-	-	-	-	-	-
80 Natural Gas City Gate Purchases	804	0	-	-	-	-	-	-
81 Other Natural Gas Purchases	805	0	-	-	-	-	-	-
82 Well Expenses - Purchased Gas	807	0	-	-	-	-	-	-
83 Maintenance of Purchased Gas Meas. Sta.	807	0	-	-	-	-	-	-
84 Gas Withdrawn from Storage	808	0	-	-	-	-	-	-
85 Gas Delivered to Storage	808	0	-	-	-	-	-	-
86 Other Gas Supply Expense	813	391	PRODGATH	-	-	-	-	-
87 Subtotal - OTHER GAS SUPPLY EXPENS	800-813	391						
C. NATURAL GAS STORAGE								
88 LNG Operating Exp Admin	840	0	-	-	-	-	-	-
89 Operating Exp- Admin	850	0	-	-	-	-	-	-
90 Subtotal - NATURAL GAS STORAGE	840-850	0						
D. TRANSMISSION EXPENSES								
91 Transmission expenses	856-863	0	-	-	-	-	-	-
92 Subtotal- Transmission Expenses	856-863	0						
E. DISTRIBUTION EXPENSES								
93 Operation Supv & Engineering	870	1,773	DIST_PT	DISTOnlyPT	DISTOnlyPT-D	DISTOnlyPT-C	CUST	ONSITEDistPT-C
94 Load Dispatching	871	112	PRODGATH	-	-	-	-	-
95 Compressor Station Fuel and Power	873	(0)	-	-	-	-	-	-
96 Mains and Services Expenses	874	5,088	N_SERV_TRANM	MAIN&SERVICE	DISTMAIN-SERV-D	DISTMAIN-SERV-C	-	-
97 Meas. & Reg. Station Expense General	875	100	DIST	DEMAND	Peak&Avg	-	-	-
98 Meas. & Reg. Station Expense Industrial	876	0	-	-	-	-	-	-
99 Meter & House Regulator Expenses	878	6,062	ONSITE	-	-	-	CUST	ONSITE-MR-C
100 Customer Installation Expense	879	62	ONSITE	-	-	-	CUST	RS Direct
101 Other Expenses - Safety and Environment	880	632	O&MxAcct880	DISTO&MxA/C880	DISTO&MxA/C880-D	DISTO&MxA/C880-C	ONSITEO&MxA/C880	ONSITEO&MxA/C880-C
102 Other Expenses	880	650	O&MxAcct880	DISTO&MxA/C880	DISTO&Mx880xAGS-D	DISTO&Mx880xAGS-C	ONSITEO&MxA/C880	ONSITEO&Mx880xAGS-C
103 Distribution Rents	881	602	DIST_PT	DISTOnlyPT	DISTOnlyPT-D	DISTOnlyPT-C	CUST	ONSITEDistPT-C
104 Maint. Supervision & Engineering	885	885	DIST	DISTLABOR	DISTLABOR-D	DISTLABOR-C	-	-
105 Maintenance of Structures & Improvements	886	516	DIST	DISTOnlyPT	DISTOnlyPT-D	DISTPT-C	-	-
106 Maint. of Mains	887	5,521	DIST	MAINS	DISTMAIN-D	-	-	-
107 Maint Of Meas. & Reg. Station Expense Ge	889	1,192	DIST	DEMAND	Peak&Avg	-	-	-
108 Maint Of Meas. & Reg. Sta. Exp. City Gate	891	10	DIST	DEMAND	Peak&Avg	-	-	-
109 Maint. of Services	892	663	ONSITE	-	-	-	CUST	Service_Invest
110 Maint. of Meters & House Regulators	893	107	ONSITE	-	-	-	CUST	ONSITE-MR-C
111 Maintenance of Other Equipment	894	67	DIST	DISTOnlyPT	DISTPT-D	DISTPT-C	-	-
112 Subtotal - DISTRIBUTION EXPENSES	870-894	24,042						
113 TOTAL OPERATION & MAINTENANCE E:		27,242						

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.91(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 80 OF 85

Account Description	Account	Total Dollars	Functional Allocator	PRODUCTION & GATHERING		STORAGE		TRANSMISSION	
				Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
II. CUSTOMER ACCOUNTS EXPENSES									
114 Customer Service - Administrative	901	225	ONSITE	-	-	-	-	-	-
115 Meter Reading Expenses	902	587	ONSITE	-	-	-	-	-	-
116 Customer Records & Collection Expense	903	10,270	ONSITE	-	-	-	-	-	-
117 Uncollectible Accounts	904	25,050	ONSITE	-	-	-	-	-	-
118 Miscellaneous Customer Accounts Expens	905	0	-	-	-	-	-	-	-
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132							
III. CUSTOMER SERVICE & INFORMATI									
120 Operation Supervision	907	0	-	-	-	-	-	-	-
121 Customer Assist- Other	908	509	DIST	-	-	-	-	-	-
122 Other Customer Service & Informational Ex	910	698	DIST	-	-	-	-	-	-
123 Supervision	911	0	-	-	-	-	-	-	-
124 Demonstration	912	660	DIST	-	-	-	-	-	-
125 Adverstising expense	913	24	DIST	-	-	-	-	-	-
126 TOTAL CUSTOMER SERVICE & INFORM		1,891							
127 TOTAL CUSTOMER ACCOUNTS, SERVI		38,024							
IV. ADMINISTRATIVE & GENERAL EXPEI									
A. Labor-Related:									
128 Administrative & General Salaries	920	5,940	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
129 Administrative & General Salaries - Direct /	920 DA	550	LABOR	COMMODITY	AGS Direct	-	-	DEMAND	AGS Direct
130 Office Supplies & Expenses	921	817	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
131 Outside Services Employed - Resid.	923	180	LABOR	COMMODITY	RS Direct	-	-	-	-
132 Outside Services Employed - Labor	923L	3,637	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
133 Injuries & Damages	925Labor	338	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
134 Employee Pensions and Benefits	926	5,725	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
135 Rents	931	4,025	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	TRANSLABOR-D
136 Subtotal - O&M Accounts 920-923, 925L, 9		21,213							
B. Plant-Related:									
137 Property Insurance	924	335	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak&Avg
138 Outside Services Employed-plant	923p	135	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak&Avg
139 Injuries & Damages	925Plant	4,130	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak&Avg
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	PRDGTHPT	P&G_PT_GEN-E	-	-	DEMAND	TRAN_PT_GEN-D
141 Misc. Maintenance Expense - Direct Assignr	932 DA	50	GENERAL PT	PRDGTHPT	AGS Direct	-	-	DEMAND	AGS Direct
142 Subtotal - O&M Accounts 924-925P		5,879							
C. Other-Related:									
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
144 Outside Services Employed-cust	923c	5,083	DIST	-	-	-	-	-	-
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
146 Outside Services Employed-plant-O&M - I	923p-om DA	200	PLANT_O&M	COMMODITY	AGS Direct	-	-	DEMAND	AGS Direct
147 Regulatory Commission Expenses	928	517	PLANT_O&M	COMMODITY	P&G_PT_O&MxAGS-E	-	-	DEMAND	TRAN_PTxAGS-D
148 General Advertising Expense	930.1	201	PLANT_O&M	COMMODITY	P&G_PT_O&MxAGS-E	-	-	DEMAND	TRAN_PTxAGS-D
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	COMMODITY	P&G_PT_O&M-E	-	-	DEMAND	TRAN_PT-D
150 Subtotal - O&M Accounts 928-935									
151 TOTAL ADMINISTRATIVE & GENERAL E		40,234							
152 TOTAL OPERATING EXPENSES (Excl De		105,499							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 81 OF 85

				DISTRIBUTION			ONSITE	
Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
II. CUSTOMER ACCOUNTS EXPENSES								
114 Customer Service - Administrative	901	225	ONSITE	-	-	-	CUST	Acct901-903,908
115 Meter Reading Expenses	902	587	ONSITE	-	-	-	CUST	Acct901-903,908
116 Customer Records & Collection Expense	903	10,270	ONSITE	-	-	-	CUST	Acct901-903,908
117 Uncollectible Accounts	904	25,050	ONSITE	-	-	-	CUST	Account904
118 Miscellaneous Customer Accounts Expens	905	0	-	-	-	-	-	-
119 TOTAL CUSTOMER ACCOUNTS EXPENSES		36,132						
III. CUSTOMER SERVICE & INFORMATI								
120 Operation Supervision	907	0	-	-	-	-	-	-
121 Customer Assist- Other	908	509	DIST	CUST	-	Acct901-903,908	-	-
122 Other Customer Service & Informational E>	910	698	DIST	CUST	-	Account910	-	-
123 Supervision	911	0	-	-	-	-	-	-
124 Demonstration	912	660	DIST	CUST	-	Account911-916	-	-
125 Advertising expense	913	24	DIST	CUST	-	Account911-916	-	-
126 TOTAL CUSTOMER SERVICE & INFORM		1,891						
127 TOTAL CUSTOMER ACCOUNTS, SERVIC		38,024						
IV. ADMINISTRATIVE & GENERAL EXPEI								
A. Labor-Related:								
128 Administrative & General Salaries	920	5,940	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
129 Administrative & General Salaries - Direct /	920 DA	550	LABOR	DISTLABOR	AGS Direct	AGS Direct	CUST	AGS Direct
130 Office Supplies & Expenses	921	817	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
131 Outside Services Employed - Resid.	923	180	LABOR	DISTLABOR	RS Direct	RS Direct	CUST	RS Direct
132 Outside Services Employed - Labor	923L	3,637	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
133 Injuries & Damages	925Labor	338	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
134 Employee Pensions and Benefits	926	5,725	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
135 Rents	931	4,025	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
136 Subtotal - O&M Accounts 920-923, 925L, 9		21,213						
B. Plant-Related:								
137 Property Insurance	924	335	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
138 Outside Services Employed-plant	923p	135	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
139 Injuries & Damages	925Plant	4,130	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
140 Misc. Maintenance Expense	932	1,228	GENERAL PT	DISTPT_GEN	DISTPT_GEN-D	DISTPT_GEN-C	CUST	ONSITEPT_GEN-C
141 Misc. Maintenance Expense - Direct Assigr	932 DA	50	GENERAL PT	DISTPT_GEN	AGS Direct	AGS Direct	CUST	AGS Direct
142 Subtotal - O&M Accounts 924-925P		5,879						
C. Other-Related:								
143 Administrative Expenses Transferred	922	(37)	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
144 Outside Services Employed-cust	923c	5,083	DIST	CUST	-	Cust_Avg	-	-
145 Outside Services Employed-plant-O&M	923p-om	7,021	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
146 Outside Services Employed-plant-O&M - I	923p-om DA	200	PLANT_O&M	DIST_PT_O&M	AGS Direct	AGS Direct	CUST	AGS Direct
147 Regulatory Commission Expenses	928	517	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&MxAGS-D	DIST_PT_O&MxAGS-C	CUST	Onsi_PT_O&MxAGS-C
148 General Advertising Expense	930.1	201	PLANT_O&M	DIST_PT_O&M	DIST_PT_O&MxAGS-D	DIST_PT_O&MxAGS-C	CUST	Onsi_PT_O&MxAGS-C
149 Miscellaneous General Expenses	930.2	156	PLANT_O&M	DISTPT_GEN	DIST_PT_O&M-D	DIST_PT_O&M-C	CUST	ONSITE_PT_O&M-C
150 Subtotal - O&M Accounts 928-935								
151 TOTAL ADMINISTRATIVE & GENERAL E		40,234						
152 TOTAL OPERATING EXPENSES (Excl De		105,499						

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 82 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
V. DEPRECIATION EXPENSE									
153 Intangible Plant	180Int	2,439	INTANG_PT	PRDGTHPT	PRDGTHPT-E	DEMAND	OR_RATEBAS	DEMAND	RAN_RATEBASE-I
154 Production & Gathering Plant - Direct Assig	180ProdGth DA	631	PRODGATH_PT	COMMODITY	AGS Direct	-	-	-	-
155 Local Storage Plant	180Stor	0	-	-	-	-	-	-	-
156 Transmission Plant	180Trans	9	TRANS	-	-	-	-	DEMAND	Peak&Avg
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	-	-	-	-	DEMAND	AGS Direct
158 Mains (Distribution)	180Mains	6,999	DIST	-	-	-	-	-	-
159 Services	180Services	5,815	DIST	-	-	-	-	-	-
160 Meters	180Meters	796	ONSITE	-	-	-	-	-	-
161 Distr Other	180Dist	2,003	DIST_xMSM	-	-	-	-	-	-
162 General Plant	180Gen	4,071	GENERAL_PT	PRDGTHPT	P&G_PT_GEN-E	-	-	DEMAND	TRAN_PT_GEN-D
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	PRDGTHPT	AGS Direct	-	-	DEMAND	AGS Direct
164 Adjustments		0	-	-	-	-	-	-	-
165 TOTAL DEPRECIATION EXPENSE	403	23,471							
		0	-	-	-	-	-	-	-
VI. TAXES									
A. General Taxes		0	-	-	-	-	-	-	-
166 PA PUC Assessment		1,139	DIST	-	-	-	-	-	-
167 Local property taxes		63	PLANTxAGS	-	-	-	-	DEMAND	Peak&Avg
168 Public utility reality tax		519	PLANTxAGS	-	-	-	-	DEMAND	Peak&Avg
169 State capital stock tax		447	RATEBASE	PRDGTHBASE	PRDGTHPT-E	STORBASE	Storage	TRANBASE	Peak&Avg
170 Miscellaneous tax		17	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
171 Subtotal- Taxes Other Than Income Taxes	408	2,186							
B. Income Tax Expense									
172 State Income Tax expense		(1,009)	Pre-Tax	PreTax-PRDGTH	PreTax-PRDGTH-E	PreTax-STOR	PreTax-Stor-D	DEMAND	PreTax-Tran-D
173 Federal Income Tax expense		5,363	Pre-Tax	PreTax-PRDGTH	PreTax-PRDGTH-E	PreTax-STOR	PreTax-Stor-D	DEMAND	PreTax-Tran-D
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	-	-	-	-	-	-
175 Subtotal- Income tax expense		4,348							
176 TOTAL TAX EXPENSE		6,534							
177 TOTAL EXPENSES									
3. REVENUES at Present Rates									
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	COMMODITY	Delivery_Rev	DEMAND	Delivery_Rev	DEMAND	Delivery_Rev
179 Forfeited Discounts		1,558	ONSITE	-	-	-	-	-	-
180 Miscellaneous Service Revenue		1,209	ONSITE	-	-	-	-	-	-
181 Other Operating Revenue		61	DIST	-	-	-	-	-	-
182 Subtotal- Gas Revenues, net		157,693							
183 TOTAL REVENUE									
184 TOTAL EXPENSES									
185 NET INCOME at Present Rates									

EQUITABLE COMPANY
DOCKET NO. 008-2029325

COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 83 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
V. DEPRECIATION EXPENSE								
153 Intangible Plant	180Int	2,439	INTANG_PT	DISTPT_INT	DISTPT-D_INT	DISTPT-C_INT	CUST	ONSITEPT-C_INT
154 Production & Gathering Plant - Direct Assig	180ProdGth DA	631	PRODGATH_PT	-	-	-	-	-
155 Local Storage Plant	180Stor	0	-	-	-	-	-	-
156 Transmission Plant	180Trans	9	TRANS	-	-	-	-	-
157 Transmission Plant - Direct Assign.	180Trans DA	704	TRANS	-	-	-	-	-
158 Mains (Distribution)	180Mains	6,999	DIST	MAINS	DISTMAIN-D	-	-	-
159 Services	180Services	5,815	DIST	CUST	-	Service_Invest	-	-
160 Meters	180Meters	796	ONSITE	-	-	-	CUST	Meter_Invest
161 Distr Other	180Dist	2,003	DIST_xMSM	DISTPT_xMSM	DISTPT-DxMSM	DISTPT-CxMSM	CUST	ONSITE-CxMSM
162 General Plant	180Gen	4,071	GENERAL_PT	DISTPT_GEN	DISTPT_GEN-D	DISTPT_GEN-C	CUST	ONSITEPT_GEN-C
163 General Plant - Direct Assign.	180Gen DA	4	PLANT_AGS	-	-	-	-	-
164 Adjustments		0	-	-	-	-	-	-
165 TOTAL DEPRECIATION EXPENSE	403	23,471						
		0	-	-	-	-	-	-
VI. TAXES								
A. General Taxes								
		0	-	-	-	-	-	-
166 PA PUC Assessment		1,139	DIST	CUST	-	Delivery_RevxAGS	-	-
167 Local property taxes		63	PLANTxAGS	DISTPT	TOTALPLANTxAGS	TOTALPLANTxAGS	CUST	ONSITEPT-C
168 Public utility reality tax		519	PLANTxAGS	DISTPT	TOTALPLANTxAGS	TOTALPLANTxAGS	CUST	ONSITEPT-C
169 State capital stock tax		447	RATEBASE	DISTBASE	DISTPT-D	RATEBASExAGS	CUST	ONSITEPT-C
170 Miscellaneous tax		17	PRODGATH	-	-	-	-	-
171 Subtotal- Taxes Other Than Income Taxes	408	2,186						
B. Income Tax Expense								
172 State Income Tax expense		(1,009)	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
173 Federal Income Tax expense		5,363	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
174 Investment Tax Credit - Amortization		(6)	Pre-Tax	PreTax-DIST	PreTax-Dist-D	PreTax-Dist-C	CUST	PreTax-OnSi-C
175 Subtotal- Income tax expense		4,348						
176 TOTAL TAX EXPENSE		6,534						
177 TOTAL EXPENSES								
3. REVENUES at Present Rates								
178 Sales and Transport Revenue	480-483	154,865	RevReq_Prop	RevReq_PF-Dist	Delivery_Rev	Delivery_Rev	CUST	Delivery_Rev
179 Forfeited Discounts		1,558	ONSITE	-	-	-	CUST	Account904
180 Miscellaneous Service Revenue		1,209	ONSITE	-	-	-	CUST	Misc_Ser_Rev
181 Other Operating Revenue		61	DIST	CUST	-	Delivery_RevxAGS	-	-
182 Subtotal- Gas Revenues, net		157,693						
183 TOTAL REVENUE		157,693						
184 TOTAL EXPENSES		135,504						
185 NET INCOME at Present Rates		22,189						

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
PRESENT RATES - PEAK AND AVG. METHOD
SHEET 84 OF 85

Account Description	Account	Total Dollars	Functional Allocator	PRODUCTION & GATHERING		STORAGE		TRANSMISSION	
				Classification Allocator	Commodity Allocator	Classification Allocator	Demand Allocator	Classification Allocator	Demand Allocator
Working Capital Subreport									
207 Accounts Receivable- Gas		0	-	-	-	-	-	-	-
208 Accounts Receivable- Other		0	-	-	-	-	-	-	-
209 Accrued Gas Revenues		0	-	-	-	-	-	-	-
210 Accounts Receivable, Total		0							
211 Gas, LNG in Storage		0	-	-	-	-	-	-	-
212 Inventories & Other, Total		0							
213 Accounts Payable, Natural Gas		3,330	PRODGATH	COMMODITY	Gas_Deliveries	-	-	-	-
214 Accounts Payable, Other- Labor		2,867	LABOR	COMMODITY	PRDGTHLABOR-E	-	-	DEMAND	Peak&Avg
215 Accounts Payable, Other- O&MxGas		5,395	O&MxGas	COMMODITY	Gas_Deliveries	-	-	DEMAND	Peak&Avg
216 Accounts Payable, Total		11,592							
217 Accrued interest		(1,083)	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak&Avg
218 Other, net		826	PLANT	COMMODITY	PRDGTHPT-E	-	-	DEMAND	Peak&Avg
219 Defd Items & Other, Total		(257)							
220 Total Working Capital		11,335							

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.5 (1)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 85 OF 85

Account Description	Account	Total Dollars	Functional Allocator	Classification Allocator	Demand Allocator	Customer Allocator	Classification Allocator	Customer Allocator
Working Capital Subreport								
207 Accounts Receivable- Gas		0	-	-	-	-	-	-
208 Accounts Receivable- Other		0	-	-	-	-	-	-
209 Accrued Gas Revenues		0	-	-	-	-	-	-
210 Accounts Receivable, Total		0						
211 Gas, LNG in Storage		0	-	-	-	-	-	-
212 Inventories & Other, Total		0						
213 Accounts Payable, Natural Gas		3,330	PRODGATH	-	-	-	-	-
214 Accounts Payable, Other- Labor		2,867	LABOR	DISTLABOR	DISTLABOR-D	DISTLABOR-C	CUST	ONSITELABOR-C
215 Accounts Payable, Other- O&MxGas		5,395	O&MxGas	DISTO&MxGas	DISTO&MXGAS-D	ONSITEO&MxGASxAGS-	CUST	ONSITEO&MxGASxAGS-
216 Accounts Payable, Total		11,592						
217 Accrued interest		(1,083)	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
218 Other, net		826	PLANT	DISTPT	DISTPT-D	DISTPT-C	CUST	ONSITEPT-C
219 Defd Items & Other, Total		(257)						
220 Total Working Capital		11,335						

EQUITABLE COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.53 (C)
 PROPOSED RATES - DESIGN DAY METHOD
 SHEET 1 OF 1

	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
1 Revenue Incr. (Decr.) Full Cost of Service	51,948	46,361	(2,104)	173	7,517
2 Proposed Revenue Allocation	51,950	40,050	1,432	2,950	7,518
Revenue at Proposed Revenue Allocation					
3 Present rate Operating revenue	157,631	108,258	14,584	29,463	5,326
4 Proposed Increase / Decrease	51,950	40,050	1,432	2,950	7,518
5 Proposed Revenue before Other / Adj	209,581	148,308	16,016	32,413	12,844
6 Other revenue / Adjustments	61	43	6	12	0
7 Revenue at Proposed Revenue Allocation	209,643	148,351	16,022	32,425	12,844
8 Operating expenses	131,155	99,001	7,956	16,435	7,763
9 Pre-tax income	78,488	49,350	8,066	15,990	5,081
10 Income tax expense	25,531	15,918	2,661	5,276	1,676
11 Additional expenses	1,103	1,103	0	0	0
12 Net income at Proposed Revenue Allocation	51,853	32,329	5,405	10,715	3,405
13 Rate Base	583,253	411,220	34,144	99,593	38,295
14 Return at Proposed Revenue Allocation	8.89%	7.86%	15.83%	10.76%	8.89%
15 Relative Return at Present Rates	1.00	0.41	4.77	3.22	(1.76)
16 Relative Return at Proposed Revenue	1.00	0.88	1.78	1.21	1.00

EQUITABLE COMPANY
DOCKET NO. N-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

EQUITY
ITEM: § 53.53 (D)
PROPOSED RATES - PEAK AND AVG. METHOD
SHEET 1 OF 1

	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service Small (GSS)</u>	<u>General Service Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
1 Revenue Incr. (Decr.) Full Cost of Service	51,948	37,039	(1,772)	9,164	7,518
2 Proposed Revenue Allocation	51,950	40,050	1,432	2,950	7,518
Revenue at Proposed Revenue Allocation					
3 Present rate Operating revenue	157,631	108,258	14,584	29,463	5,326
4 Proposed Increase / Decrease	51,950	40,050	1,432	2,950	7,518
5 Proposed Revenue before Other / Adj	209,581	148,308	16,016	32,413	12,844
6 Other revenue / Adjustments	61	43	6	12	0
7 Revenue at Proposed Revenue Allocation	209,643	148,351	16,022	32,425	12,844
8 Operating expenses	131,155	94,425	8,091	20,877	7,763
9 Pre-tax income	78,488	53,927	7,931	11,548	5,081
10 Income tax expense	25,531	17,428	2,617	3,810	1,676
11 Additional expenses	1,103	1,103	0	0	0
12 Net income at Proposed Revenue Allocation	51,853	35,395	5,315	7,738	3,405
13 Rate Base	583,253	375,445	35,632	133,878	38,297
14 Return at Proposed Revenue Allocation	8.89%	9.43%	14.92%	5.78%	8.89%
15 Relative Return at Present Rates	1.00	0.76	4.47	1.53	(1.76)
16 Relative Return at Proposed Revenue	1.00	1.06	1.68	0.65	1.00

EQUITABLE GAS COMPANY
DOCKET NO. R-2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

EXHIBIT IV
ITEM: § 53.53 IV-B-1(E)
COST OF SERVICE STUDIES
SUMMARY OF RESULTS
SHEET 1 OF 1

Rate Class	Peak Demand w/Customer Component				Proposed Revenue	Present Revenue	Revenue Change
	Present Rates		Proposed Rates				
	Rate of Return	Relative Rate of Return	Rate of Return	Relative Rate of Return			
Residential Service (RS)	1.54%	0.41	7.86%	0.88	\$ 148,351	\$ 108,301	\$ 40,050
General Service - Small (GSS)	18.15%	4.77	15.83%	1.78	\$ 16,022	\$ 14,590	\$ 1,432
General Service - Large (GSL)	12.26%	3.22	10.76%	1.21	\$ 32,425	\$ 29,475	\$ 2,950
Appalachian Gathering Service (AGS)	-6.69%	-1.76	8.89%	1.00	<u>\$ 12,844</u>	<u>\$ 5,326</u>	<u>\$ 7,518</u>
Total	3.80%	1.00	8.89%	1.00	\$ 209,642	\$ 157,692	\$ 51,950

<u>Peak & Average w/o Customer Component</u>							
Residential Service (RS)	2.90%	0.76	9.43%	1.06	\$ 148,351	\$ 108,301	\$ 40,050
General Service - Small (GSS)	17.02%	4.47	14.92%	1.68	\$ 16,022	\$ 14,590	\$ 1,432
General Service - Large (GSL)	5.83%	1.53	5.78%	0.65	\$ 32,425	\$ 29,475	\$ 2,950
Appalachian Gathering Service (AGS)	-6.69%	-1.76	8.89%	1.00	<u>\$ 12,844</u>	<u>\$ 5,326</u>	<u>\$ 7,518</u>
Total	3.80%	1.00	8.89%	1.00	\$ 209,642	\$ 157,692	\$ 51,950

2008 May NET OUTS

PointID	Rec Meter	Del Meter	Qty	Unit	Price	Total
May-08 S-ESM			418,785			\$ 4,354,666.48
TOTAL APRIL 2008 SALES NETS			418,785			\$ 4,354,666.48

May-08 P-SPRAGUE-0059-001	DOMSP		10002	700 Dth	12.24	\$ 8,568.00
May-08 P-SEMPRADELTA-0042-001	DOMSP	DOMSP		155,000 Dth	9.575	\$ 1,484,125.00
May-08 P-SEMPRADELTA-0043-001	43227	C16		8,000 Dth	11.87	\$ 94,960.00
TOTAL MAY 2008 PURCHASES			163,700			\$ 1,587,653.00

TOTAL MAY 2008 NETOUTS			582,485			\$ 5,942,319.48

May-08 EGC AGENCY FINANCIALS						\$ -
May-08 EGC AGENCY MKTG FEE						\$ -
May-08 EGC FINANCIALS						\$ 1,146,110.00
TOTAL EGC/AGENCY FINANCIALS						\$ 1,146,110.00

MAY 2008 REVENUES

Partner	ProdMth	PointID	Rec Meter	Del Meter	Qty	Unit	Price	\$\$\$\$	
TENNESSEE	May-08	S-EGC-1155-001	20826		20078	11,868 Dth	11	\$	130,548.00 PAID
TENNESSEE	May-08	S-EGC-1163-001	20078		20078	620,000 Dth	11.92	\$	7,390,400.00 PAID
CNG TRANS	May-08	S-EGC-1164-001	40120	DOMSP		155,000 Dth	8.725	\$	1,352,375.00 PAID
CNG TRANS	May-08	S-EGC-1165-001	40120	DOMSP		155,000 Dth	9.155	\$	1,419,025.00 PAID
CNG TRANS	May-08	S-ESM-0206-001	CNR-IPP	CNR08-0015		418,785 Dth	\$ 10.40	\$	4,354,666.48 NET OUT
EQUITRANS	May-08	S-CENTERPOINT-0012-001	11026		11089	1,000 Dth	12.8	\$	12,800.00
EQUITRANS	May-08	S-CENTERPOINT-0013-001	11026		11089	1,600 Dth	12.7	\$	20,320.00
EGC	May-08	S-GASMARK-0380-001	EGCMAIN	EGCMAIN		46,500 Dth	11.7915	\$	548,304.75
KENTUCKY.WV	May-08	S-PAINTSVILLE-0008-001	10G130	27A		4836 Dth	10.45	\$	50,536.20
CNG TRANS	May-08	S-SEMPRADELTA-0122-001	DOMSP	DOMSP		155,000 Dth	10.665	\$	1,653,075.00
TENNESSEE	May-08	S-SEMPRADELTA-0122-002	ENTERED AS	EGC DEAL		168,981 Dth	11.93	\$	2,015,943.33
EQUITRANS	May-08	S-SPRAGUE-0230-001	11026		11089	1,000 Dth	13.05	\$	13,050.00
EQUITRANS	May-08	S-SPRAGUE-0232-001	11026		11089	225 Dth	13	\$	2,925.00
ERC	May-08	ERC RETAIL PROGRAM				365,628		\$	4,379,410.88
TOTAL TRADE & UTILITY					2,105,423			\$	23,343,379.64
EGC	May-08	S-USSTEEL-0008-001	ERIGENERAI		522875	62 Dth	12.5404	\$	777.50
EGC	May-08	S-USSTEEL-0010-001	USS METER 5000E			668,492 Dth	12.3005	\$	8,222,791.66
EGC	May-08	S-USSTEEL-0010-001	Admin	Fixed			3000		\$3,000.00
EGC	May-08	S-USSTEEL-0010-001	Buyback Adj	Fixed			423740.66		\$423,740.66
EGC	May-08	S-USSTEEL-0010-001	Buyback Crec	Fixed			419137.2		(\$419,137.20)
EGC	May-08	S-USSTEEL-0010-001	DemandChg	ResrvDaily			0.013		\$8,866.00
TOTAL COMMERCIAL & INDUSTRIAL					668,554			\$	8,240,038.62
EF5 GATHERNG	May-08	S-GOODWINPA-0001-001	19006		19006	18,538 Dth	11.86	\$	219,860.68
WILL PAY ON MONTH LAG					18,538			\$	219,860.68
TOTAL FOR MAY 2008					2,792,515			\$	31,803,278.94
								\$	0.00

25,641,098.78 rec
19,316,111.04 Disb
\$1,543,192.38 tport
31,865,354.04 I/C

Auto I-C

ESM (226)

AE	1071937	05/05/08	Post Due To Accoun	\$	(10.24)
AE	1071951	05/20/08	Post Due To Accoun	\$	(551,223.73)
AE	1071992	05/29/08	Post Due To Accoun	\$	(519,673.50)
AE	90	05/31/08	Futures	\$	(513,360.00)
AE	901	05/31/08	Journey Oil Payment	\$	(463,814.27)
AE	2466366	05/31/08	Post Due From Acct	\$	274.92
AE	2466367	05/31/08	Post Due From Acct	\$	293.88
AE	2475815	05/31/08	Post Due To Acct	\$	(4,952.00)
AE	2478311	05/31/08	Post Due To Accoun	\$	110.36
AE	2478312	05/31/08	Post Due To Accoun	\$	284.40
AE	2481940	05/31/08	Post Due From Acct	\$	1,500.00
AE	2481956	05/31/08	Post Due To Accoun	\$	4,914.50
AE	2482090	05/31/08	Post Due From Acco	\$	(8,775.66)
AE	2482978	05/31/08	Post Due To Acct	\$	(1,488.27)

Due EEC	\$	(2,055,919.61)

EPC (217)

AE	1070824	05/01/08	Post Due From Acco	\$	(929,169.89)
T2	10652	05/04/08	Payroll Labor Dist	\$	(1,793.20)
T2	10675	05/18/08	Payroll Labor Dist	\$	(1,793.20)
AE	10	05/31/08	Options	\$	395,560.00
AE	901	05/31/08	BU EXPENSE ALLOCATION	\$	312,337.67
AE	903	05/31/08	Post Due To Accoun	\$	(6,310.38)
AE	1071646	05/31/08	Post Due To Accoun	\$	(69,000.00)
AE	1071898	05/31/08	Post Due From Acco	\$	1,197,525.64
AE	2482218	05/31/08	Post Due To Accoun	\$	(1,200.00)

DUE EPC	\$	896,156.64

EASTERN SEVEN PARTNERS

DUE 229	\$	

(1) Financials	(117,800.00)
(2) I/C Activity	(1,041,962.97)
	(1,159,762.97)

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

2. Provide a statement of testimony describing the complete methodology of the cost of service.

Response:

Please see the direct testimony of Russell A. Feingold, Equitable Statement No. 6.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

3. Provide a complete description and back-up calculations for all allocation factors.

Response: Please see the attached.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

Legend of Cost of Service Study Class Allocation Factors

FACTOR	CLASS ALLOCATION BASIS
External Allocators¹	
Gas Deliveries	Gas deliveries by class excluding Rate AGS
Gas Deliveries w/AGS	Gas deliveries including Rate AGS
Bills All	Annual Number of bills
Peak	Demand related design day peak volumes (in Dth/Day) allocation factor
Peak&Avg	Demand related Peak and Average volumes allocation factor
Storage	Gas storage
Meter Invest	Meter investment
Account 383/384	House regulators/house regulators installation investments
Service Invest	Services investment
AGS Direct	Direct assignments to Rate AGS
RS Direct	Direct assignments to Rate RSS
GSS Direct	Direct assignments to Rate GSS
GSL Direct	Direct assignments to Rate GSL
Cust_Avg	Average number of test year customers
Delivery_Rev	Test year delivery revenues at present rates including Rate AGS
Delivery_RevxAGS	Test year delivery revenues at present rates excluding Rate AGS
Misc Ser Rev	Miscellaneous Service Revenue
Deposits	Customer Deposits
Acct901-903,908	Customer Accounts –supervision, meter reading and customer records and collection, and customer assistance
Account904	Uncollectible accounts
Account910	Miscellaneous customer service and information
Account911-916	Sales expenses
Account386	Other property on customers' premises
Account813	Other gas supply expense
Internal Allocators²	
PRDGTHLABOR-E	Production and gathering commodity related labor expense
DISTLABOR-D	Distribution demand related labor expense

¹ External allocation factors are based on special studies developed for use in preparing the class cost of service study. Please see COST OF SERVICE INTERROGATORIES, ITEMS 19 and 20, for allocation factor workpapers.

² Internal allocation factors are developed within the class cost of service study model.

FACTOR	CLASS ALLOCATION BASIS
DISTLABOR-E	Distribution commodity related labor expense
DISTLABOR-C	Distribution customer related labor expense
ONSITELABOR-C	Onsite customer related labor expense
P&G_DEP_RES-E	Production and gathering commodity related accumulated depreciation
PRDGTHPT-E	Production and gathering commodity related plant
P&G_PT_GEN-E	Production and gathering commodity related general plant
P&G_O&M-E	Production and gathering commodity related operation and maintenance expense
P&G_PT_O&M-E	Production and gathering commodity related plant and operation and maintenance expense
P&G_PT_O&MxAGS-E	Production and gathering commodity related plant and operation and maintenance expense excluding rate AGS
P&G_RATEBASE-E	Production and gathering commodity related ratebase
STOR_RATEBASE-D	Storage related demand related ratebase
TRAN_PT_GEN-D	Transmission demand related general plant
TRAN_PT-D	Transmission demand related plant
TRAN_PTxAGS-D	Transmission demand related plant excluding rate AGS
TRANS MAINS-D	Transmission demand related mains (plant)
TRAN_RATEBASE-D	Transmission demand related ratebase
DISTPT-E_INT	Distribution commodity related intangible plant
DISTPT-D	Distribution demand related plant
DISTOnlyPT-D	Distribution demand related distribution plant
DISTPT-D_INT	Distribution demand related intangible plant
DISTPT_GEN-D	Distribution demand related general plant
DISTPT-DxMSM	Distribution demand related plant excluding mains, services and meters
DIST_O&M-D	Distribution demand related operation and maintenance expense
DIST_PT_O&M-D	Distribution demand related plant and operation and maintenance expense
DIST_PT_O&MxAGS-D	Distribution demand related plant and operation and maintenance expense excluding rate AGS
DIST_DEP_RES-D	Distribution demand related accumulated depreciation
ONSITE-CxMSM	Onsite customer related
PRDGTHO&MXA/C880	Production and gathering operation and maintenance expense excluding account 880
P&G_O&MX880xAGS	Production and gathering operation and maintenance expense excluding account 880 and rate AGS

FACTOR	CLASS ALLOCATION BASIS
PRDGTHO&MXGAS-C	Production and gathering customer related operation and maintenance expense excluding gas costs
TRANO&MxA/C880-D	Transmission demand related operation and maintenance expense excluding account 880
TRANO&Mx880xAGS-D	Transmission demand related operation and maintenance expense excluding account 880 and rate AGS
DISTO&MxA/C880-D	Distribution demand related operation and maintenance expense excluding account 880
DISTO&Mx880xAGS-D	Distribution demand related operation and maintenance expense excluding account 880 and rate AGS
DISTO&MXGAS-D	Distribution demand related operation and maintenance expense excluding gas costs
DISTO&MxA/C880-C	Distribution customer related operation and maintenance expense excluding account 880
DISTO&Mx880xAGS-C	Distribution customer related operation and maintenance expense excluding account 880 and rate AGS
DISTO&MXGAS-C	Distribution customer related operation and maintenance expense excluding gas costs
ONSITEO&MxA/C880-C	Onsite customer related operation and maintenance expense excluding account 880
ONSITEO&MXGAS-C	Onsite customer related operation and maintenance expense excluding gas costs
ONSITEO&MXGASxAGS-C	Onsite customer related operation and maintenance expense excluding account 880 and rate AGS
PRDGTHPT-E	Production and gathering commodity related plant
DISTPT-C	Distribution customer related plant
DISTOnlyPT-C	Distribution customer related distribution plant
DISTPT-C_INT	Distribution customer related intangible plant
DISTPT GEN-C	Distribution customer related general plant
DISTPT-CxMSM	Distribution customer related plant excluding mains, services and meters
DIST_O&M-C	Distribution customer related operation and maintenance expense
DIST_PT_O&M-C	Distribution customer related plant and operation and maintenance expense
DIST_PT_O&MxAGS-C	Distribution customer related plant and operation and maintenance expense excluding rate AGS
DIST_DEP_RES-C	Distribution customer related accumulated depreciation
DIST_RATEBASE-D	Distribution demand related ratebase
DIST_RATEBASE-C	Distribution customer related ratebase
ONSITEPT-C	Onsite customer related plant
ONSITEDistPT-C	Onsite customer related distribution plant

FACTOR	CLASS ALLOCATION BASIS
ONSITEPT-C INT	Onsite customer related intangible plant
ONSITEPT GEN-C	Onsite customer related general plant
ONSITE_O&M-C	Onsite customer related operation and maintenance expense
ONSITE_PT_O&M-C	Onsite customer related plant and operation and maintenance expense
Onsi_PT_O&MxAGS-C	Onsite customer related plant and operation and maintenance expense excluding rate AGS
ONSITE_DEP_RES-C	Onsite customer related accumulated depreciation
ONSITE_RATEBASE-C	Onsite customer related ratebase
DISTMAIN-SERV-D	Distribution demand related mains and services (plant)
DMAIN-DSERV-TRAN-D	Distribution demand related mains and services (plant) and Transmission demand related mains (plant)
DISTMAIN-SERV-C	Distribution customer related mains and services (plant)
DISTMAIN-D	Distribution demand related mains
ONSITE-MR-C	Onsite customer related meters and regulators
PreTax-PRDGTH-E	Production and gathering commodity related pre-tax income
PreTax-Stor-D	Storage demand related pre-tax income
PreTax-Tran-D	Transmission demand related pre-tax income
PreTax-Dist-D	Distribution demand related pre-tax income
PreTax-Dist-C	Distribution customer related pre-tax income
PreTax-OnSi-C	Onsite customer related pre-tax income
Onsi-C Acct879	Onsite customer related account 879
O&MxGas	Operation and Maintenance expense excluding gas costs
TOTALPLANTxAGS	Total Plant excluding rate AGS
TOTALPLANT	Total Plant
RATEBASExAGS	Ratebase excluding rate AGS
RATEBASE	Ratebase

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

Legend of Cost of Service Study Functionalization Factors

FACTOR	FUNCTIONALIZATION BASIS
External Allocators¹	
PRODGATH	Costs assigned exclusively to Production and Gathering
STOR	Costs assigned exclusively to Storage
TRANS	Costs assigned exclusively to Transmission
DIST	Costs assigned exclusively to Distribution
ONSITE	Costs assigned exclusively to Onsite
Internal Allocators²	
LABOR	Labor expense
PRODGATH PT	Production and gathering plant
STOR PT	Storage plant
DIST PT	Distribution plant
REVENUE	Revenue
RevReq Prop	Proposed revenue requirement
O&MxAcct880	Operation and maintenance expense excluding account 880
O&MxGas	Operation and maintenance expense excluding gas costs
PLANT	Plant
PLANT AGS	Plant rate AGS only
PLANTxAGS	Plant excluding rate AGS
DeprReserve	Accumulated depreciation
O&M	Operation and maintenance expense
PLANT_O&M	Plant and operation and maintenance expense
INTANG PT	Intangible plant
GENERAL PT	General plant
DIST_xMSM	Distribution plant excluding mains, services and meters
Pre-Tax	Pre-tax income
RATEBASE	Ratebase

¹ External allocation factors are based on special studies developed for use in preparing the class cost of service study. Please see COST OF SERVICE INTERROGATORIES, ITEMS 19 and 20, for allocation factor workpapers.

² Internal allocation factors are developed within the class cost of service study model.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

Legend of Cost of Service Study Classification Factors

FACTOR	CLASSIFICATION BASIS
External Allocators¹	
DEMAND	Costs assigned exclusively to Demand
COMMODITY	Costs assigned exclusively to Commodity
CUST	Costs assigned exclusively to Customer
MAINS	Investment in Mains to Demand and Customer
Internal Allocators²	
DISTLABOR	Distribution related labor expense
PRDGTHPT	Production and gathering related plant
ONSITE_RB	Onsite related ratebase
STORPT	Storage related plant
DISTPT	Distribution related plant
DISTPT INT	Distribution related intangible plant
DISTPT GEN	Distribution related general plant
DISTOnlyPT	Distribution related distribution plant
DISTPT_xMSM	Distribution related plant excluding mains, services and meters
DIST_DEP_RES	Distribution related accumulated depreciation
RevReq PF-Dist	Distribution related revenue requirement
DIST_O&M	Distribution related operation and maintenance expense
DIST_PT_O&M	Distribution related plant and operation and maintenance expense
PRDGTHO&M	Production and gathering related operation and maintenance expense
PRDGTHBASE	Production and gathering related ratebase
STORBASE	Storage related ratebase
TRANBASE	Transmission related ratebase
DISTBASE	Distribution related ratebase
PreTax-PRDGTH	Production and gathering related pre-tax income
PreTax-STOR	Storage related pre-tax income
PreTax-DIST	Distribution related pre-tax income
MAINS&SERVICE	Distribution related mains and services
PRDGTHO&Mx A/C880	Production and gathering related operation and maintenance expense excluding account 880

¹ External allocation factors are based on special studies developed for use in preparing the class cost of service study. Please see COST OF SERVICE INTERROGATORIES, ITEMS 19 and 20, for allocation factor workpapers.

² Internal allocation factors are developed within the class cost of service study model.

PRDGTHO&MxGas-E	Production and gathering related operation and maintenance expense excluding gas cost
ONSTEO&MxA/C880	Onsite related operation and maintenance expense excluding account 880
ONSTEO&MxGas	Onsite related operation and maintenance expense excluding gas costs
DISTO&MxA/C880	Distribution related operation and maintenance expense excluding account 880
DISTO&MxGas	Distribution related operation and maintenance expense excluding gas costs

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 1 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
1 Gas_Deliveries	EXT	22,186,579	3,805,003	20,639,377	0
2 Gas_Deliveries%	46,630,960	47.58%	8.16%	44.26%	0.00%
3 Gas_Deliver_w/AGS	EXT	22,186,579	3,805,003	20,639,377	14,444,153
4 Gas_Deliver_w/AGS%	61,075,113	36.33%	6.23%	33.79%	23.65%
5 Bills_All	EXT	2,871,066	190,884	22,116	0
6 Bills_All%	3,084,066	93.09%	6.19%	0.72%	0.00%
7 Peak	EXT	393,250	48,715	195,344	0
8 Peak%	637,309	61.70%	7.64%	30.65%	0.00%
9 Peak&Avg	EXT	0.547	0.079	0.374	0.000
10 Peak&Avg%	1.00	54.71%	7.91%	37.37%	0.00%
11 Storage	EXT	85%	10%	5%	0%
12 Storage%	1.00	85.28%	9.82%	4.90%	0.00%
13 Meter_Invest	EXT	69%	10%	20%	0%
14 Meter_Invest%	0	69.45%	10.25%	20.31%	0.00%
15 Account 383/384	EXT	68%	15%	17%	0%
16 Account 383/384 %	0	68.11%	15.29%	16.61%	0.00%
17 Service_Invest	EXT	94%	1%	5%	0%
18 Service_Invest%	0	94.40%	0.98%	4.62%	0.00%
19 AGS Direct	EXT	0	0	0	1
20 AGS Direct%	1	0.00%	0.00%	0.00%	100.00%
21 RS Direct	EXT	1	0	0	0
22 RS Direct%	1	100.00%	0.00%	0.00%	0.00%
23 GSS Direct	EXT	0	1	0	0
24 GSS Direct%	1	0.00%	100.00%	0.00%	0.00%
25 GSL Direct	EXT	0	0	1	0
26 GSL Direct%	1	0.00%	0.00%	100.00%	0.00%

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EXHIBIT IV
ITEM: § 53.53 (A)
PRESENT RATES - DESIGN DAY METHOD
SHEET 2 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
27 Cust_Avg	EXT	239,256	15,907	1,843	0
28 Cust_Avg%	257,006	93.09%	6.19%	0.72%	0.00%
29 Delivery_Rev	EXT	105,632	14,510	29,396	5,326
30 Delivery_Rev%	154,865	68.21%	9.37%	18.98%	3.44%
31 Delivery_RevxAGS	EXT	105,632	14,510	29,396	0
32 Delivery_RevxAGS%	149,539	70.64%	9.70%	19.66%	0.00%
33 Misc_Ser_Rev	EXT	96.27%	3.34%	0.39%	0.00%
34 Misc_Ser_Rev%	1	96.27%	3.34%	0.39%	0.00%
35 Deposits	EXT	82%	6%	11%	0%
36 Deposits%	0	82.36%	6.20%	11.44%	0.00%
37 Account813	EXT	71.35%	11.35%	17.30%	0.00%
38 Account813%	100.00%	71.35%	11.35%	17.30%	0.00%
39 Acct901-903,908	EXT	93.09%	6.19%	0.72%	0.00%
40 Acct901-903,908%	100.00%	93.09%	6.19%	0.72%	0.00%
41 Account904	EXT	93.87%	2.15%	3.97%	0.00%
42 Account904%	100.00%	93.87%	2.15%	3.97%	0.00%
43 Account910	EXT	100.00%	0.00%	0.00%	0.00%
44 Account910%	100.00%	100.00%	0.00%	0.00%	0.00%
45 Account911-916	EXT	0.00%	89.62%	10.38%	0.00%
46 Account911-916%	100.00%	0.00%	89.62%	10.38%	0.00%
47 Account386	EXT	90.89%	2.25%	6.86%	0.00%
48 Account386%	1	90.89%	2.25%	6.86%	0.00%
49 PRDGTHLABOR-E	INT	54	9	40	1,182
50 PRDGTHLABOR-E%	1,285	4.20%	0.71%	3.13%	91.96%
51 TRANSLABOR-D	INT	2	0	1	37
52 TRANSLABOR-D%	40	5.49%	0.68%	2.73%	91.10%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 3 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
53 DISTLABOR-D	INT	2,861	354	1,528	0
54 DISTLABOR-D%	4,744	60.31%	7.47%	32.22%	0.00%
55 DISTLABOR-E	INT	0	0	0	0
56 DISTLABOR-E%	0	0.00%	0.00%	0.00%	0.00%
57 DISTLABOR-C	INT	1,977	482	102	0
58 DISTLABOR-C%	2,560	77.20%	18.81%	3.99%	0.00%
59 ONSITELABOR-C	INT	6,259	603	638	0
60 ONSITELABOR-C%	7,500	83.45%	8.04%	8.51%	0.00%
61 P&G_DEP_RES-E	INT	0	0	0	8,924
62 P&G_DEP_RES-E%	8,924	0.00%	0.00%	0.00%	100.00%
63 PRDGTHPT-E	INT	0	0	0	28,445
64 PRDGTHPT-E%	28,445	0.00%	0.00%	0.00%	100.00%
65 P&G_PT_GEN-E	INT	0	0	0	1,604
66 P&G_PT_GEN-E%	1,604	0.00%	0.00%	0.00%	100.00%
67 P&G_O&M-E	INT	395	64	139	2,877
68 P&G_O&M-E%	3,475	11.37%	1.83%	4.01%	82.79%
69 P&G_PT_O&M-E	INT	5.7%	0.9%	2.0%	91.4%
70 P&G_PT_O&M-E%	1	5.68%	0.92%	2.01%	91.40%
71 P&G_PT_O&MxAGS-E	INT	6%	1%	2%	0
72 P&G_PT_O&MxAGS-E%	0	66.05%	10.64%	23.31%	0.00%
73 P&G_RATEBASE-E	INT	1,742	299	1,618	20,114
74 P&G_RATEBASE-E%	23,773	7.33%	1.26%	6.81%	84.61%
75 STOR_RATEBASE-D	INT	64,114	7,384	3,681	0
76 STOR_RATEBASE-D%	75,180	85.28%	9.82%	4.90%	0.00%
77 TRAN_PT_GEN-D	INT	1,081	134	540	38
78 TRAN_PT_GEN-D%	1,792	60.30%	7.47%	30.13%	2.10%

EQUITABLE COMPANY
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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 4 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
79 TRAN_PT-D	INT	832	103	413	31,001
80 TRAN_PT-D%	32,350	2.57%	0.32%	1.28%	95.83%
81 TRAN_PTxAGS-D	INT	832	103	413	0
82 TRAN_PTxAGS-D%	1,349	61.70%	7.64%	30.65%	0.00%
83 TRANS_MAINS-D	INT	767	95	381	16,830
84 TRANS_MAINS-D%	18,073	4.24%	0.53%	2.11%	93.12%
85 TRAN_RATEBASE-D	INT	(231)	(29)	(112)	18,167
86 TRAN_RATEBASE-D%	17,795	-1.30%	-0.16%	-0.63%	102.09%
87 DISTPT-E_INT	INT	0	0	0	0
88 DISTPT-E_INT%	0	0.00%	0.00%	0.00%	0.00%
89 DISTPT-D	INT	246,635	30,553	134,815	0
90 DISTPT-D%	412,002	59.86%	7.42%	32.72%	0.00%
91 DISTOnlyPT-D	INT	245,217	30,377	133,545	0
92 DISTOnlyPT-D%	409,139	59.93%	7.42%	32.64%	0.00%
93 DISTPT-D_INT	INT	1,515	188	819	0
94 DISTPT-D_INT%	2,522	60.09%	7.44%	32.46%	0.00%
95 DISTPT_GEN-D	INT	13,353	1,654	7,381	0
96 DISTPT_GEN-D%	22,388	59.64%	7.39%	32.97%	0.00%
97 DISTPT-DxMSM	INT	11,644	1,442	7,818	0
98 DISTPT-DxMSM%	20,905	55.70%	6.90%	37.40%	0.00%
99 DIST_O&M-D	INT	6,909	856	3,699	0
100 DIST_O&M-D%	11,464	60.27%	7.47%	32.27%	0.00%
101 DIST_PT_O&M-D	INT	60%	7%	32%	0%
102 DIST_PT_O&M-D%	1	60.07%	7.44%	32.49%	0.00%
103 DIST_PT_O&MxAGS-D	INT	60%	7%	32%	0
104 DIST_PT_O&MxAGS-D%	1	60.07%	7.44%	32.49%	0.00%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 5 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
105 DIST_DEP_RES-D	INT	75,003	9,291	41,030	0
106 DIST_DEP_RES-D%	125,324	59.85%	7.41%	32.74%	0.00%
107 ONSITE-CxMSM	INT	19,278	1,453	2,719	0
108 ONSITE-CxMSM%	23,449	82.21%	6.19%	11.59%	0.00%
109 PRDGTHO&MxA/C880	INT	332	54	117	2,809
110 PRDGTHO&MxA/C880%	3,312	10.03%	1.62%	3.54%	84.82%
111 P&G_O&Mx880xAGS	INT	332	54	117	0
112 P&G_O&Mx880xAGS%	503	66.05%	10.64%	23.31%	0.00%
113 PRDGTHO&MXGAS-C	INT	723	111	269	5,975
114 PRDGTHO&MXGAS-C%	7,078	10.22%	1.57%	3.80%	84.41%
115 TRANO&MxA/C880-D	INT	5	1	3	120
116 TRANO&MxA/C880-D%	129	4.24%	0.53%	2.11%	93.12%
117 TRANO&Mx880xAGS-D	INT	5	1	3	0
118 TRANO&Mx880xAGS-D%	9	61.70%	7.64%	30.65%	0.00%
119 DISTO&MxA/C880-D	INT	6,584	816	3,525	0
120 DISTO&MxA/C880-D%	10,924	60.27%	7.47%	32.27%	0.00%
121 DISTO&Mx880xAGS-D	INT	6,584	816	3,525	0
122 DISTO&Mx880xAGS-D%	10,924	60.27%	7.47%	32.27%	0.00%
123 DISTO&MXGAS-D	INT	21,524	2,664	11,276	352
124 DISTO&MXGAS-D%	35,816	60.10%	7.44%	31.48%	0.98%
125 DISTO&MxA/C880-C	INT	4,222	183	139	0
126 DISTO&MxA/C880-C%	4,544	92.91%	4.03%	3.06%	0.00%
127 DISTO&Mx880xAGS-C	INT	4,222	183	139	0
128 DISTO&Mx880xAGS-C%	4,544	92.91%	4.03%	3.06%	0.00%
129 DISTO&MXGAS-C	INT	26,205	2,207	1,367	186
130 DISTO&MXGAS-C%	29,965	87.45%	7.37%	4.56%	0.62%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
131 ONSITEO&MxA/C880-C	INT	5,061	721	1,268	0
132 ONSITEO&MxA/C880-C%	7,050	71.79%	10.23%	17.98%	0.00%
133 ONSITEO&Mx880xAGS-C	INT	5,061	721	1,268	0
134 ONSITEO&Mx880xAGS-C%	7,050	71.79%	10.23%	17.98%	0.00%
135 ONSITEO&MXGAS-C	INT	52,945	3,340	4,150	347
136 ONSITEO&MXGAS-C%	60,782	87.11%	5.49%	6.83%	0.57%
137 ONSITEO&MxGASxAGS-C	INT	52,945	3,340	4,150	0
138 ONSITEO&MxGASxAGS-C%	60,434	87.61%	5.53%	6.87%	0.00%
139 PRDGTHTPT-E	INT	0	0	0	28,445
140 PRDGTHTPT-E%	28,445	0.00%	0.00%	0.00%	100.00%
141 DISTPT-C	INT	286,949	7,331	11,078	0
142 DISTPT-C%	305,359	93.97%	2.40%	3.63%	0.00%
143 DISTOnlyPT-C	INT	285,346	6,968	11,017	0
144 DISTOnlyPT-C%	303,331	94.07%	2.30%	3.63%	0.00%
145 DISTPT-C_INT	INT	1,349	108	57	0
146 DISTPT-C_INT%	1,513	89.15%	7.11%	3.73%	0.00%
147 DISTPT_GEN-C	INT	15,536	397	661	0
148 DISTPT_GEN-C%	16,593	93.63%	2.39%	3.98%	0.00%
149 DISTPT-CxMSM	INT	1,603	363	62	0
150 DISTPT-CxMSM%	2,028	79.05%	17.90%	3.05%	0.00%
151 DIST_O&M-C	INT	4,431	192	146	0
152 DIST_O&M-C%	4,769	92.91%	4.03%	3.06%	0.00%
153 DIST_PT_O&M-C	INT	93%	3%	3%	0%
154 DIST_PT_O&M-C%	1	93.44%	3.22%	3.34%	0.00%
155 DIST_PT_O&MxAGS-C	INT	93%	3%	3%	0%
156 DIST_PT_O&MxAGS-C%	1	93.44%	3.22%	3.34%	0.00%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
157 DIST_DEP_RES-C	INT	106,908	2,489	4,315	0
158 DIST_DEP_RES-C%	113,711	94.02%	2.19%	3.79%	0.00%
159 DIST_RATEBASE-D	INT	154,293	19,113	84,354	13
160 DIST_RATEBASE-D%	257,774	59.86%	7.41%	32.72%	0.01%
161 DIST_RATEBASE-C	INT	156,276	4,268	5,671	0
162 DIST_RATEBASE-C%	166,215	94.02%	2.57%	3.41%	0.00%
163 ONSITEPT-C	INT	38,017	4,217	8,199	0
164 ONSITEPT-C%	50,432	75.38%	8.36%	16.26%	0.00%
165 ONSITEDistPT-C	INT	23,622	3,861	7,112	0
166 ONSITEDistPT-C%	34,594	68.28%	11.16%	20.56%	0.00%
167 ONSITEPT-C_INT	INT	18,402	1,262	264	0
168 ONSITEPT-C_INT%	19,928	92.34%	6.33%	1.33%	0.00%
169 ONSITEPT_GEN-C	INT	2,058	228	454	0
170 ONSITEPT_GEN-C%	2,740	75.11%	8.33%	16.56%	0.00%
171 ONSITE_O&M-C	INT	5,311	757	1,330	0
172 ONSITE_O&M-C%	7,398	71.79%	10.23%	17.98%	0.00%
173 ONSITE_PT_O&M-C	INT	74%	9%	17%	0%
174 ONSITE_PT_O&M-C%	1	73.59%	9.30%	17.12%	0.00%
175 Onsi_PT_O&MxAGS-C	INT	74%	9%	17%	0
176 Onsi_PT_O&MxAGS-C%	1	73.59%	9.30%	17.12%	0.00%
177 ONSITE_DEP_RES-C	INT	21,964	2,295	3,737	0
178 ONSITE_DEP_RES-C%	27,996	78.46%	8.20%	13.35%	0.00%
179 ONSITE_RATEBASE-C	INT	35,026	3,108	4,380	1
180 ONSITE_RATEBASE-C%	42,515	82.39%	7.31%	10.30%	0.00%
181 DISTMAIN-SERV-D	INT	234,991	29,110	126,996	0
182 DISTMAIN-SERV-D%	391,097	60.08%	7.44%	32.47%	0.00%

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 PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
183 DMAIN-DSERV-TRAN-D	INT	235,757	29,205	127,377	16,830
184 DMAIN-DSERV-TRAN-D%	409,170	57.62%	7.14%	31.13%	4.11%
185 DISTMAIN-SERV-C	INT	285,346	6,968	11,017	0
186 DISTMAIN-SERV-C%	303,331	94.07%	2.30%	3.63%	0.00%
187 DISTMAIN-D	INT	234,991	29,110	126,996	0
188 DISTMAIN-D%	391,097	60.08%	7.44%	32.47%	0.00%
189 ONSITE-MR-C	INT	23,622	3,861	6,671	0
190 ONSITE-MR-C%	34,153	69.17%	11.30%	19.53%	0.00%
191 PreTax-PRDGTH-E	INT	5,039	692	1,397	(569)
192 PreTax-PRDGTH-E%	6,558	76.83%	10.55%	21.30%	-8.68%
193 PreTax-Stor-D	INT	5,005	689	1,404	255
194 PreTax-Stor-D%	7,353	68.07%	9.37%	19.09%	3.47%
195 PreTax-Tran-D	INT	1,826	252	482	(611)
196 PreTax-Tran-D%	1,949	93.69%	12.95%	24.73%	-31.37%
197 PreTax-Dist-D	INT	28,889	4,057	6,524	1,744
198 PreTax-Dist-D%	41,215	70.09%	9.84%	15.83%	4.23%
199 PreTax-Dist-C	INT	16,535	3,221	6,541	1,299
200 PreTax-Dist-C%	27,595	59.92%	11.67%	23.70%	4.71%
201 PreTax-OnSi-C	INT	32,389	4,342	8,958	1,676
202 PreTax-OnSi-C%	47,366	68.38%	9.17%	18.91%	3.54%
203 Onsi-C_Acct879	INT	70.99%	4.57%	24.44%	0.00%
204 Onsi-C_Acct879%	100.00%	70.99%	4.57%	24.44%	0.00%
205 O&MxGas	INT	80,384	6,619	12,266	6,230
206 O&MxGas%	105,498	76.19%	6.27%	11.63%	5.91%
207 TOTALPLANTxAGS	INT	572,433	42,204	154,505	0
208 TOTALPLANTxAGS%	769,142	74.42%	5.49%	20.09%	0.00%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

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 PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
Allocator Values - Class Allocation					
209 TOTALPLANT	INT	572,433	42,204	154,505	59,446
210 TOTALPLANT%	828,589	69.09%	5.09%	18.65%	7.17%
211 RATEBASExAGS	INT	411,220	34,144	99,593	0
212 RATEBASExAGS%	544,958	75.46%	6.27%	18.28%	0.00%
213 RATEBASE	INT	411,220	34,144	99,593	38,295
214 RATEBASE%	583,253	70.50%	5.85%	17.08%	6.57%

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ITEM: § 53.53 (3)(A)
PRESENT RATES - DESIGN DAY METHOD
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<u>Allocator</u>	<u>Total</u>	<u>PRODUCTION & GATHERING</u>	<u>STORAGE</u>	<u>TRANSMISSION</u>	<u>DISTRIBUTION</u>	<u>ONSITE</u>
Allocator Values - Functionalization						
1 PRODGATH	EXT	1	0	0	0	0
2 PRODGATH%	1	100.00%	0.00%	0.00%	0.00%	0.00%
3 STOR	EXT	0	1	0	0	0
4 STOR%	1	0.00%	100.00%	0.00%	0.00%	0.00%
5 TRANS	EXT	0	0	1	0	0
6 TRANS%	1	0.00%	0.00%	100.00%	0.00%	0.00%
7 DIST	EXT	0	0	0	1	0
8 DIST%	1	0.00%	0.00%	0.00%	100.00%	0.00%
9 ONSITE	EXT	0	0	0	0	1
10 ONSITE%	1	0.00%	0.00%	0.00%	0.00%	100.00%
11 LABOR	INT	1,285	0	40	7,304	7,500
12 LABOR%	16,130	7.97%	0.00%	0.25%	45.28%	46.50%
13 PRODGATH_PT	INT	28,445	0	0	0	0
14 PRODGATH_PT%	28,445	100.00%	0.00%	0.00%	0.00%	0.00%
15 STOR_PT	INT	0	0	0	0	0
16 STOR_PT%	0	0.00%	0.00%	0.00%	0.00%	0.00%
17 DIST_PT	INT	0	0	0	717,361	50,432
18 DIST_PT%	767,793	0.00%	0.00%	0.00%	93.43%	6.57%
19 REVENUE	INT	7,399	7,411	2,851	88,535	51,497
20 REVENUE%	157,693	4.69%	4.70%	1.81%	56.14%	32.66%
21 RevReq_Prop	INT	10,017	10,033	3,859	119,767	65,966
22 RevReq_Prop%	209,642	4.78%	4.79%	1.84%	57.13%	31.47%
23 O&MxAcct880	INT	3,312	0	129	15,468	7,050
24 O&MxAcct880%	25,959	12.76%	0.00%	0.50%	59.59%	27.16%
25 O&MxGas	INT	6,022	0	596	43,789	55,092
26 O&MxGas%	105,499	5.71%	0.00%	0.57%	41.51%	52.22%

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PRESENT RATES - DESIGN DAY METHOD
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<u>Allocator</u>	<u>Total</u>	<u>PRODUCTION & GATHERING</u>	<u>STORAGE</u>	<u>TRANSMISSION</u>	<u>DISTRIBUTION</u>	<u>ONSITE</u>
Allocator Values - Functionalization						
27 PLANT	INT	28,445	0	32,350	717,361	50,432
28 PLANT%		828,589	3.43%	0.00%	3.90%	86.58%
29 PLANT_AGS	INT	28,445	0	16,830	0	0
30 PLANT_AGS%		45,276	62.83%	0.00%	37.17%	0.00%
31 PLANTxAGS	INT	0	0	15,520	717,361	50,432
32 PLANTxAGS%		783,313	0.00%	0.00%	1.98%	91.58%
33 DeprReserve	INT	8,924	2	13,396	239,035	27,996
34 DeprReserve%		289,353	3.08%	0.00%	4.63%	82.61%
35 O&M	INT	3,475	0	135	16,232	7,399
36 O&M%		27,242	12.76%	0.00%	0.50%	59.59%
37 PLANT_O&M	INT	8.10%	0.00%	2.20%	73.08%	16.62%
38 PLANT_O&M%		100.0%	8.10%	0.00%	2.20%	73.08%
39 INTANG_PT	INT	268	6	10	4,035	19,928
40 INTANG_PT%		24,248	1.11%	0.03%	0.04%	16.64%
41 GENERAL PT	INT	1,604	0	1,792	38,981	2,740
42 GENERAL PT%		45,118	3.55%	0.00%	3.97%	86.40%
43 DIST_xMSM	INT	0	0	0	22,933	23,449
44 DIST_xMSM%		46,382	0.00%	0.00%	0.00%	49.44%
45 MAIN_SERV_TRANMAIN	INT	0	0	18,073	694,428	0
46 MAIN_SERV_TRANMAIN%		712,501	0.00%	0.00%	2.54%	97.46%
47 Pre-Tax	INT	6,558	7,353	1,949	68,810	47,366
48 Pre-Tax%		132,036	4.97%	5.57%	1.48%	52.11%
49 RATEBASE	INT	23,773	75,180	17,795	423,989	42,515
50 RATEBASE%		583,253	4.08%	12.89%	3.05%	72.69%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification				
1 DEMAND	EXT	1	0	0
2 DEMAND%	1	100.00%	0.00%	0.00%
3 COMMODITY	EXT	0	1	0
4 COMMODITY%	1	0.00%	100.00%	0.00%
5 CUST	EXT	0	0	1
6 CUST%	1	0.00%	0.00%	100.00%
7 MAINS	EXT	0.832	0.000	0.168
8 MAINS%	1.0	83.20%	0.00%	16.80%
9 DISTLABOR	INT	4,979	0	2,049
10 DISTLABOR%	7,028	70.85%	0.00%	29.15%
11 PRDGTHTPT	INT	0	28,445	0
12 PRDGTHTPT%	28,445	0.00%	100.00%	0.00%
13 ONSITE_RB	INT	0	0	42,515
14 ONSITE_RB%	42,515	0.00%	0.00%	100.00%
15 STORPT	INT	0	0	0
16 STORPT%	0	0.00%	0.00%	0.00%
17 DISTPT	INT	412,002	0	305,359
18 DISTPT%	717,361	57.43%	0.00%	42.57%
19 DISTPT_INT	INT	2,522	0	1,513
20 DISTPT_INT%	4,035	62.50%	0.00%	37.50%
21 DISTPT_GEN	INT	22,388	0	16,593
22 DISTPT_GEN%	38,981	57.43%	0.00%	42.57%
23 DISTOnlyPT	INT	409,139	0	303,331
24 DISTOnlyPT%	712,470	57.43%	0.00%	42.57%
25 DISTPT_xMSM	INT	20,905	0	2,028
26 DISTPT_xMSM%	22,933	91.16%	0.00%	8.84%

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PRESENT RATES - DESIGN DAY METHOD
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	<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification					
27	DIST_DEP_RES	INT	125,324	0	113,711
28	DIST_DEP_RES%	239,035	52.43%	0.00%	47.57%
29	RevReq_PF-Dist	INT	68,658	0	51,109
30	RevReq_PF-Dist%	119,767	57.33%	0.00%	42.67%
31	DIST_O&M	INT	11,464	0	4,769
32	DIST_O&M%	16,232	70.62%	0.00%	29.38%
33	DIST_PT_O&M	INT	64.03%	0.00%	35.97%
34	DIST_PT_O&M%	100.0%	64.03%	0.00%	35.97%
35	PRDGTHO&M	INT	0	6,412	0
36	PRDGTHO&M%	6,412	0.00%	100.00%	0.00%
37	PRDGTHBASE	INT	0	23,773	0
38	PRDGTHBASE%	23,773	0.00%	100.00%	0.00%
39	STORBASE	INT	75	0	0
40	STORBASE%	75,180	100.00%	0.00%	0.00%
41	TRANBASE	INT	18	0	0
42	TRANBASE%	17,795	100.00%	0.00%	0.00%
43	DISTBASE	INT	258	0	166
44	DISTBASE%	423,989	60.80%	0.00%	39.20%
45	PreTax-PRDGTH	INT	0	6,558	0
46	PreTax-PRDGTH%	6,558	0.00%	100.00%	0.00%
47	PreTax-STOR	INT	7,353	0	0
48	PreTax-STOR%	7,353	100.00%	0.00%	0.00%
49	PreTax-DIST	INT	41,215	0	27,595
50	PreTax-DIST%	68,810	59.90%	0.00%	40.10%
51	TRANS_MAINS	INT	18,073	0	0
52	TRANS_MAINS%	18,073	100.00%	0.00%	0.00%

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PRESENT RATES - DESIGN DAY METHOD
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<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification				
53 MAIN&SERVICE	INT	391,097	0	303,331
54 MAIN&SERVICE%	694,428	56.32%	0.00%	43.68%
55 PRDGTHO&MxA/C880	INT	0	3,312	0
56 PRDGTHO&MxA/C880%	3,312	0.00%	100.00%	0.00%
57 PRDGTHO&MxGas-E	INT	0	6	0
58 PRDGTHO&MxGas-E%	6,022	0.00%	100.00%	0.00%
59 ONSITEO&MxA/C880	INT	0	0	7,050
60 ONSITEO&MxA/C880%	7,050	0.00%	0.00%	100.00%
61 ONSITEO&MxGas	INT	0	0	55
62 ONSITEO&MxGas%	55,092	0.00%	0.00%	100.00%
63 DISTO&MxA/C880	INT	10,924	0	4,544
64 DISTO&MxA/C880%	15,468	70.62%	0.00%	29.38%
65 DISTO&MxGas	INT	25	0	19
66 DISTO&MxGas%	43,789	56.99%	0.00%	43.01%

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ITEM: § 53.53(3)(b)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 1 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
1 Gas_Deliveries	EXT	22,186,579	3,805,003	20,639,377	0
2 Gas_Deliveries%	46,630,960	47.58%	8.16%	44.26%	0.00%
3 Gas_Deliver_w/AGS	EXT	22,186,579	3,805,003	20,639,377	14,444,153
4 Gas_Deliver_w/AGS%	61,075,113	36.33%	6.23%	33.79%	23.65%
5 Bills_All	EXT	2,871,066	190,884	22,116	0
6 Bills_All%	3,084,066	93.09%	6.19%	0.72%	0.00%
7 Peak	EXT	393,250	48,715	195,344	0
8 Peak%	637,309	61.70%	7.64%	30.65%	0.00%
9 Peak&Avg	EXT	0.547	0.079	0.374	0.000
10 Peak&Avg%	1.00	54.71%	7.91%	37.37%	0.00%
11 Storage	EXT	85%	10%	5%	0%
12 Storage%	1.00	85.28%	9.82%	4.90%	0.00%
13 Meter_Invest	EXT	69%	10%	20%	0%
14 Meter_Invest%	0	69.45%	10.25%	20.31%	0.00%
15 Account 383/384	EXT	68%	15%	17%	0%
16 Account 383/384 %	0	68.11%	15.29%	16.61%	0.00%
17 Service_Invest	EXT	94%	1%	5%	0%
18 Service_Invest%	0	94.40%	0.98%	4.62%	0.00%
19 AGS Direct	EXT	0	0	0	1
20 AGS Direct%	1	0.00%	0.00%	0.00%	100.00%
21 RS Direct	EXT	1	0	0	0
22 RS Direct%	1	100.00%	0.00%	0.00%	0.00%
23 GSS Direct	EXT	0	1	0	0
24 GSS Direct%	1	0.00%	100.00%	0.00%	0.00%
25 GSL Direct	EXT	0	0	1	0
26 GSL Direct%	1	0.00%	0.00%	100.00%	0.00%

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 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
27 Cust_Avg	EXT	239,256	15,907	1,843	0
28 Cust_Avg%	257,006	93.09%	6.19%	0.72%	0.00%
29 Delivery_Rev	EXT	105,632	14,510	29,396	5,326
30 Delivery_Rev%	154,865	68.21%	9.37%	18.98%	3.44%
31 Delivery_RevxAGS	EXT	105,632	14,510	29,396	0
32 Delivery_RevxAGS%	149,539	70.64%	9.70%	19.66%	0.00%
33 Misc_Ser_Rev	EXT	96.27%	3.34%	0.39%	0.00%
34 Misc_Ser_Rev%	1	96.27%	3.34%	0.39%	0.00%
35 Deposits	EXT	82%	6%	11%	0%
36 Deposits%	0	82.36%	6.20%	11.44%	0.00%
37 Account813	EXT	71.35%	11.35%	17.30%	0.00%
38 Account813%	100.00%	71.35%	11.35%	17.30%	0.00%
39 Acct901-903,908	EXT	93.09%	6.19%	0.72%	0.00%
40 Acct901-903,908%	100.00%	93.09%	6.19%	0.72%	0.00%
41 Account904	EXT	93.87%	2.15%	3.97%	0.00%
42 Account904%	100.00%	93.87%	2.15%	3.97%	0.00%
43 Account910	EXT	100.00%	0.00%	0.00%	0.00%
44 Account910%	100.00%	100.00%	0.00%	0.00%	0.00%
45 Account911-916	EXT	0.00%	89.62%	10.38%	0.00%
46 Account911-916%	100.00%	0.00%	89.62%	10.38%	0.00%
47 Account386	EXT	90.89%	2.25%	6.86%	0.00%
48 Account386%	1	90.89%	2.25%	6.86%	0.00%
49 PRDGTSLABOR-E	INT	54	9	40	1,182
50 PRDGTSLABOR-E%	1,285	4.20%	0.71%	3.13%	91.96%
51 TRANSLABOR-D	INT	2	0	1	37
52 TRANSLABOR-D%	40	4.87%	0.70%	3.33%	91.10%

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 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
53 DISTLABOR-D	INT	2,969	429	2,136	0
54 DISTLABOR-D%	5,535	53.65%	7.76%	38.59%	0.00%
55 DISTLABOR-E	INT	0	0	0	0
56 DISTLABOR-E%	0	0.00%	0.00%	0.00%	0.00%
57 DISTLABOR-C	INT	1,245	429	96	0
58 DISTLABOR-C%	1,769	70.34%	24.25%	5.41%	0.00%
59 ONSITELABOR-C	INT	6,259	603	638	0
60 ONSITELABOR-C%	7,500	83.45%	8.04%	8.51%	0.00%
61 P&G_DEP_RES-E	INT	0	0	0	8,924
62 P&G_DEP_RES-E%	8,924	0.00%	0.00%	0.00%	100.00%
63 PRDGTHTPT-E	INT	0	0	0	28,445
64 PRDGTHTPT-E%	28,445	0.00%	0.00%	0.00%	100.00%
65 P&G_PT_GEN-E	INT	0	0	0	1,604
66 P&G_PT_GEN-E%	1,604	0.00%	0.00%	0.00%	100.00%
67 P&G_O&M-E	INT	395	64	139	2,877
68 P&G_O&M-E%	3,475	11.37%	1.83%	4.01%	82.79%
69 P&G_PT_O&M-E	INT	5.7%	0.9%	2.0%	91.4%
70 P&G_PT_O&M-E%	1	5.68%	0.92%	2.01%	91.40%
71 P&G_PT_O&MxAGS-E	INT	6%	1%	2%	0
72 P&G_PT_O&MxAGS-E%	0	66.05%	10.64%	23.31%	0.00%
73 P&G_RATEBASE-E	INT	1,742	299	1,618	20,114
74 P&G_RATEBASE-E%	23,773	7.33%	1.26%	6.81%	84.61%
75 STOR_RATEBASE-D	INT	64,114	7,384	3,681	0
76 STOR_RATEBASE-D%	75,180	85.28%	9.82%	4.90%	0.00%
77 TRAN_PT_GEN-D	INT	958	139	658	38
78 TRAN_PT_GEN-D%	1,792	53.47%	7.73%	36.70%	2.10%

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 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
79 TRAN_PT-D	INT	738	107	504	31,001
80 TRAN_PT-D%	32,350	2.28%	0.33%	1.56%	95.83%
81 TRAN_PTxAGS-D	INT	738	107	504	0
82 TRAN_PTxAGS-D%	1,349	54.71%	7.91%	37.37%	0.00%
83 TRANS_MAINS-D	INT	680	98	464	16,830
84 TRANS_MAINS-D%	18,073	3.76%	0.54%	2.57%	93.12%
85 TRAN_RATEBASE-D	INT	(205)	(30)	(137)	18,167
86 TRAN_RATEBASE-D%	17,795	-1.15%	-0.17%	-0.77%	102.09%
87 DISTPT-E_INT	INT	0	0	0	0
88 DISTPT-E_INT%	0	0.00%	0.00%	0.00%	0.00%
89 DISTPT-D	INT	260,992	37,751	190,589	0
90 DISTPT-D%	489,333	53.34%	7.71%	38.95%	0.00%
91 DISTOnlyPT-D	INT	259,498	37,535	189,004	0
92 DISTOnlyPT-D%	486,037	53.39%	7.72%	38.89%	0.00%
93 DISTPT-D_INT	INT	1,591	230	1,153	0
94 DISTPT-D_INT%	2,974	53.50%	7.74%	38.76%	0.00%
95 DISTPT_GEN-D	INT	14,130	2,044	10,416	0
96 DISTPT_GEN-D%	26,590	53.14%	7.69%	39.17%	0.00%
97 DISTPT-DxMSM	INT	10,561	1,528	9,248	0
98 DISTPT-DxMSM%	21,337	49.50%	7.16%	43.34%	0.00%
99 DIST_O&M-D	INT	7,207	1,043	5,191	0
100 DIST_O&M-D%	13,441	53.62%	7.76%	38.62%	0.00%
101 DIST_PT_O&M-D	INT	53%	8%	39%	0%
102 DIST_PT_O&M-D%	1	53.48%	7.74%	38.78%	0.00%
103 DIST_PT_O&MxAGS-D	INT	53%	8%	39%	0
104 DIST_PT_O&MxAGS-D%	1	53.48%	7.74%	38.78%	0.00%

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ITEM: § 53.53(3)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 5 OF 14

<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
105 DIST_DEP_RES-D	INT	79,631	11,518	58,182	0
106 DIST_DEP_RES-D%	149,331	53.32%	7.71%	38.96%	0.00%
107 ONSITE-CxMSM	INT	19,278	1,453	2,719	0
108 ONSITE-CxMSM%	23,449	82.21%	6.19%	11.59%	0.00%
109 PRDGTHO&MxA/C880	INT	332	54	117	2,809
110 PRDGTHO&MxA/C880%	3,312	10.03%	1.62%	3.54%	84.82%
111 P&G_O&Mx880xAGS	INT	332	54	117	0
112 P&G_O&Mx880xAGS%	503	66.05%	10.64%	23.31%	0.00%
113 PRDGTHO&MXGAS-C	INT	723	111	269	5,975
114 PRDGTHO&MXGAS-C%	7,078	10.22%	1.57%	3.80%	84.41%
115 TRANO&MxA/C880-D	INT	5	1	3	120
116 TRANO&MxA/C880-D%	129	3.76%	0.54%	2.57%	93.12%
117 TRANO&Mx880xAGS-D	INT	5	1	3	0
118 TRANO&Mx880xAGS-D%	9	54.71%	7.91%	37.37%	0.00%
119 DISTO&MxA/C880-D	INT	6,868	993	4,947	0
120 DISTO&MxA/C880-D%	12,808	53.62%	7.76%	38.62%	0.00%
121 DISTO&Mx880xAGS-D	INT	6,868	993	4,947	0
122 DISTO&Mx880xAGS-D%	12,808	53.62%	7.76%	38.62%	0.00%
123 DISTO&MXGAS-D	INT	22,693	3,249	15,762	414
124 DISTO&MXGAS-D%	42,117	53.88%	7.71%	37.42%	0.98%
125 DISTO&MxA/C880-C	INT	2,474	62	124	0
126 DISTO&MxA/C880-C%	2,660	93.01%	2.32%	4.67%	0.00%
127 DISTO&Mx880xAGS-C	INT	2,474	62	124	0
128 DISTO&Mx880xAGS-C%	2,660	93.01%	2.32%	4.67%	0.00%
129 DISTO&MXGAS-C	INT	20,534	1,753	1,252	125
130 DISTO&MXGAS-C%	23,664	86.77%	7.41%	5.29%	0.53%

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ITEM: § 53.53(3)(B)
PRESENT RATES - PEAK AND AVG. METHOD
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Name	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)	Appalachian Gathering Service (AGS)
Allocator Values - Class Allocation					
131 ONSITEO&MxA/C880-C	INT	5,061	721	1,268	0
132 ONSITEO&MxA/C880-C%	7,050	71.79%	10.23%	17.98%	0.00%
133 ONSITEO&Mx880xAGS-C	INT	5,061	721	1,268	0
134 ONSITEO&Mx880xAGS-C%	7,050	71.79%	10.23%	17.98%	0.00%
135 ONSITEO&MXGAS-C	INT	52,945	3,340	4,150	347
136 ONSITEO&MXGAS-C%	60,782	87.11%	5.49%	6.83%	0.57%
137 ONSITEO&MxGASxAGS-C	INT	52,945	3,340	4,150	0
138 ONSITEO&MxGASxAGS-C%	60,434	87.61%	5.53%	6.87%	0.00%
139 PRDGTHTPT-E	INT	0	0	0	28,445
140 PRDGTHTPT-E%	28,445	0.00%	0.00%	0.00%	100.00%
141 DISTPT-C	INT	214,959	2,545	10,524	0
142 DISTPT-C%	228,028	94.27%	1.12%	4.62%	0.00%
143 DISTOnlyPT-C	INT	213,758	2,209	10,465	0
144 DISTOnlyPT-C%	226,432	94.40%	0.98%	4.62%	0.00%
145 DISTPT-C_INT	INT	939	71	51	0
146 DISTPT-C_INT%	1,062	88.48%	6.71%	4.81%	0.00%
147 DISTPT_GEN-C	INT	11,638	138	615	0
148 DISTPT_GEN-C%	12,391	93.92%	1.11%	4.96%	0.00%
149 DISTPT-CxMSM	INT	1,201	336	59	0
150 DISTPT-CxMSM%	1,596	75.25%	21.07%	3.68%	0.00%
151 DIST_O&M-C	INT	2,596	65	130	0
152 DIST_O&M-C%	2,792	93.01%	2.32%	4.67%	0.00%
153 DIST_PT_O&M-C	INT	94%	2%	5%	0%
154 DIST_PT_O&M-C%	1	93.64%	1.72%	4.64%	0.00%
155 DIST_PT_O&MxAGS-C	INT	94%	2%	5%	0%
156 DIST_PT_O&MxAGS-C%	1	93.64%	1.72%	4.64%	0.00%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
157 DIST_DEP_RES-C	INT	84,563	1,000	4,142	0
158 DIST_DEP_RES-C%	89,704	94.27%	1.11%	4.62%	0.00%
159 DIST_RATEBASE-D	INT	162,986	23,574	119,040	15
160 DIST_RATEBASE-D%	305,615	53.33%	7.71%	38.95%	0.01%
161 DIST_RATEBASE-C	INT	111,782	1,297	5,296	0
162 DIST_RATEBASE-C%	118,374	94.43%	1.10%	4.47%	0.00%
163 ONSITEPT-C	INT	38,017	4,217	8,199	0
164 ONSITEPT-C%	50,432	75.38%	8.36%	16.26%	0.00%
165 ONSITEDistPT-C	INT	23,622	3,861	7,112	0
166 ONSITEDistPT-C%	34,594	68.28%	11.16%	20.56%	0.00%
167 ONSITEPT-C_INT	INT	18,402	1,262	264	0
168 ONSITEPT-C_INT%	19,928	92.34%	6.33%	1.33%	0.00%
169 ONSITEPT_GEN-C	INT	2,058	228	454	0
170 ONSITEPT_GEN-C%	2,740	75.11%	8.33%	16.56%	0.00%
171 ONSITE_O&M-C	INT	5,311	757	1,330	0
172 ONSITE_O&M-C%	7,398	71.79%	10.23%	17.98%	0.00%
173 ONSITE_PT_O&M-C	INT	74%	9%	17%	0%
174 ONSITE_PT_O&M-C%	1	73.59%	9.30%	17.12%	0.00%
175 Onsi_PT_O&MxAGS-C	INT	74%	9%	17%	0
176 Onsi_PT_O&MxAGS-C%	1	73.59%	9.30%	17.12%	0.00%
177 ONSITE_DEP_RES-C	INT	21,964	2,295	3,737	0
178 ONSITE_DEP_RES-C%	27,996	78.46%	8.20%	13.35%	0.00%
179 ONSITE_RATEBASE-C	INT	35,026	3,108	4,380	1
180 ONSITE_RATEBASE-C%	42,515	82.39%	7.31%	10.30%	0.00%
181 DISTMAIN-SERV-D	INT	250,431	36,224	181,341	0
182 DISTMAIN-SERV-D%	467,996	53.51%	7.74%	38.75%	0.00%

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ITEM: § 53.53 (B)
PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
183 DMAIN-DSERV-TRAN-D	INT	251,111	36,322	181,805	16,830
184 DMAIN-DSERV-TRAN-D%	486,069	51.66%	7.47%	37.40%	3.46%
185 DISTMAIN-SERV-C	INT	213,758	2,209	10,465	0
186 DISTMAIN-SERV-C%	226,432	94.40%	0.98%	4.62%	0.00%
187 DISTMAIN-D	INT	250,431	36,224	181,341	0
188 DISTMAIN-D%	467,996	53.51%	7.74%	38.75%	0.00%
189 ONSITE-MR-C	INT	23,622	3,861	6,671	0
190 ONSITE-MR-C%	34,153	69.17%	11.30%	19.53%	0.00%
191 PreTax-PRDGTH-E	INT	5,039	692	1,397	(569)
192 PreTax-PRDGTH-E%	6,558	76.83%	10.55%	21.30%	-8.68%
193 PreTax-Stor-D	INT	5,005	689	1,404	255
194 PreTax-Stor-D%	7,353	68.07%	9.37%	19.09%	3.47%
195 PreTax-Tran-D	INT	1,839	252	469	(611)
196 PreTax-Tran-D%	1,949	94.38%	12.93%	24.07%	-31.37%
197 PreTax-Dist-D	INT	34,839	4,756	7,009	2,060
198 PreTax-Dist-D%	48,664	71.59%	9.77%	14.40%	4.23%
199 PreTax-Dist-C	INT	11,879	2,468	4,815	983
200 PreTax-Dist-C%	20,146	58.97%	12.25%	23.90%	4.88%
201 PreTax-OnSi-C	INT	32,389	4,342	8,958	1,676
202 PreTax-OnSi-C%	47,366	68.38%	9.17%	18.91%	3.54%
203 Onsi-C_Acct879	INT	70.99%	4.57%	24.44%	0.00%
204 Onsi-C_Acct879%	100.00%	70.99%	4.57%	24.44%	0.00%
205 O&MxGas	INT	77,115	6,699	15,454	6,230
206 O&MxGas%	105,498	73.10%	6.35%	14.65%	5.91%
207 TOTALPLANTxAGS	INT	514,706	44,620	209,816	0
208 TOTALPLANTxAGS%	769,142	66.92%	5.80%	27.28%	0.00%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(b) **ATT IV**
PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Residential Service (RS)</u>	<u>General Service - Small (GSS)</u>	<u>General Service - Large (GSL)</u>	<u>Appalachian Gathering Service (AGS)</u>
Allocator Values - Class Allocation					
209 TOTALPLANT	INT	514,706	44,620	209,816	59,446
210 TOTALPLANT%	828,589	62.12%	5.39%	25.32%	7.17%
211 RATEBASExAGS	INT	375,445	35,632	133,878	0
212 RATEBASExAGS%	544,956	68.89%	6.54%	24.57%	0.00%
213 RATEBASE	INT	375,445	35,632	133,878	38,297
214 RATEBASE%	583,253	64.37%	6.11%	22.95%	6.57%

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ITEM: § 53.5(3)(b)
PRESENT RATES - PEAK AND AVG. METHOD
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<u>Allocator</u>	<u>Total</u>	<u>PRODUCTION & GATHERING</u>	<u>STORAGE</u>	<u>TRANSMISSION</u>	<u>DISTRIBUTION</u>	<u>ONSITE</u>
Allocator Values - Functionalization						
1 PRODGATH	EXT	1	0	0	0	0
2 PRODGATH%	1	100.00%	0.00%	0.00%	0.00%	0.00%
3 STOR	EXT	0	1	0	0	0
4 STOR%	1	0.00%	100.00%	0.00%	0.00%	0.00%
5 TRANS	EXT	0	0	1	0	0
6 TRANS%	1	0.00%	0.00%	100.00%	0.00%	0.00%
7 DIST	EXT	0	0	0	1	0
8 DIST%	1	0.00%	0.00%	0.00%	100.00%	0.00%
9 ONSITE	EXT	0	0	0	0	1
10 ONSITE%	1	0.00%	0.00%	0.00%	0.00%	100.00%
11 LABOR	INT	1,285	0	40	7,304	7,500
12 LABOR%	16,130	7.97%	0.00%	0.25%	45.28%	46.50%
13 PRODGATH_PT	INT	28,445	0	0	0	0
14 PRODGATH_PT%	28,445	100.00%	0.00%	0.00%	0.00%	0.00%
15 STOR_PT	INT	0	0	0	0	0
16 STOR_PT%	0	0.00%	0.00%	0.00%	0.00%	0.00%
17 DIST_PT	INT	0	0	0	717,361	50,432
18 DIST_PT%	767,793	0.00%	0.00%	0.00%	93.43%	6.57%
19 REVENUE	INT	7,399	7,411	2,851	88,535	51,497
20 REVENUE%	157,693	4.69%	4.70%	1.81%	56.14%	32.66%
21 RevReq_Prop	INT	10,017	10,033	3,859	119,767	65,966
22 RevReq_Prop%	209,642	4.78%	4.79%	1.84%	57.13%	31.47%
23 O&MxAcct880	INT	3,312	0	129	15,468	7,050
24 O&MxAcct880%	25,959	12.76%	0.00%	0.50%	59.59%	27.16%
25 O&MxGas	INT	6,022	0	596	43,789	55,092
26 O&MxGas%	105,499	5.71%	0.00%	0.57%	41.51%	52.22%

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COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53(3)(B)
PRESENT RATES - PEAK AND AVG. METHOD
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<u>Allocator</u>	<u>Total</u>	<u>PRODUCTION & GATHERING</u>	<u>STORAGE</u>	<u>TRANSMISSION</u>	<u>DISTRIBUTION</u>	<u>ONSITE</u>
Allocator Values - Functionalization						
27 PLANT	INT	28,445	0	32,350	717,361	50,432
28 PLANT%	828,589	3.43%	0.00%	3.90%	86.58%	6.09%
29 PLANT_AGS	INT	28,445	0	16,830	0	0
30 PLANT_AGS%	45,276	62.83%	0.00%	37.17%	0.00%	0.00%
31 PLANTxAGS	INT	0	0	15,520	717,361	50,432
32 PLANTxAGS%	783,313	0.00%	0.00%	1.98%	91.58%	6.44%
33 DeprReserve	INT	8,924	2	13,396	239,035	27,996
34 DeprReserve%	289,353	3.08%	0.00%	4.63%	82.61%	9.68%
35 O&M	INT	3,475	0	135	16,232	7,399
36 O&M%	27,242	12.76%	0.00%	0.50%	59.59%	27.16%
37 PLANT_O&M	INT	8.10%	0.00%	2.20%	73.08%	16.62%
38 PLANT_O&M%	100.0%	8.10%	0.00%	2.20%	73.08%	16.62%
39 INTANG_PT	INT	268	6	10	4,035	19,928
40 INTANG_PT%	24,248	1.11%	0.03%	0.04%	16.64%	82.18%
41 GENERAL PT	INT	1,604	0	1,792	38,981	2,740
42 GENERAL PT%	45,118	3.55%	0.00%	3.97%	86.40%	6.07%
43 DIST_xMSM	INT	0	0	0	22,933	23,449
44 DIST_xMSM%	46,382	0.00%	0.00%	0.00%	49.44%	50.56%
45 MAIN_SERV_TRANMAIN	INT	0	0	18,073	694,428	0
46 MAIN_SERV_TRANMAIN%	712,501	0.00%	0.00%	2.54%	97.46%	0.00%
47 Pre-Tax	INT	6,558	7,353	1,949	68,810	47,366
48 Pre-Tax%	132,036	4.97%	5.57%	1.48%	52.11%	35.87%
49 RATEBASE	INT	23,773	75,180	17,795	423,989	42,515
50 RATEBASE%	583,253	4.08%	12.89%	3.05%	72.69%	7.29%

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ITEM: § 53.53(3)(b)
 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification				
1 DEMAND	EXT	1	0	0
2 DEMAND%	1	100.00%	0.00%	0.00%
3 COMMODITY	EXT	0	1	0
4 COMMODITY%	1	0.00%	100.00%	0.00%
5 CUST	EXT	0	0	1
6 CUST%	1	0.00%	0.00%	100.00%
7 MAINS	EXT	1,000	0.000	0.000
8 MAINS%	1.0	100.00%	0.00%	0.00%
9 DISTLABOR	INT	5,814	0	1,214
10 DISTLABOR%	7,028	82.73%	0.00%	17.27%
11 PRDGTHTPT	INT	0	28,445	0
12 PRDGTHTPT%	28,445	0.00%	100.00%	0.00%
13 ONSITE_RB	INT	0	0	42,515
14 ONSITE_RB%	42,515	0.00%	0.00%	100.00%
15 STORPT	INT	0	0	0
16 STORPT%	0	0.00%	0.00%	0.00%
17 DISTPT	INT	489,333	0	228,028
18 DISTPT%	717,361	68.21%	0.00%	31.79%
19 DISTPT_INT	INT	2,974	0	1,062
20 DISTPT_INT%	4,035	73.69%	0.00%	26.31%
21 DISTPT_GEN	INT	26,590	0	12,391
22 DISTPT_GEN%	38,981	68.21%	0.00%	31.79%
23 DISTOnlyPT	INT	486,037	0	226,432
24 DISTOnlyPT%	712,470	68.22%	0.00%	31.78%
25 DISTPT_xMSM	INT	21,337	0	1,596
26 DISTPT_xMSM%	22,933	93.04%	0.00%	6.96%

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 PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification				
27 DIST_DEP_RES	INT	149,331	0	89,704
28 DIST_DEP_RES%	239,035	62.47%	0.00%	37.53%
29 RevReq_PF-Dist	INT	81,062	0	38,706
30 RevReq_PF-Dist%	119,767	67.68%	0.00%	32.32%
31 DIST_O&M	INT	13,441	0	2,792
32 DIST_O&M%	16,232	82.80%	0.00%	17.20%
33 DIST_PT_O&M	INT	75.51%	0.00%	24.49%
34 DIST_PT_O&M%	100.0%	75.51%	0.00%	24.49%
35 PRDGTHO&M	INT	0	6,412	0
36 PRDGTHO&M%	6,412	0.00%	100.00%	0.00%
37 PRDGTHBASE	INT	0	23,773	0
38 PRDGTHBASE%	23,773	0.00%	100.00%	0.00%
39 STORBASE	INT	75	0	0
40 STORBASE%	75,180	100.00%	0.00%	0.00%
41 TRANBASE	INT	18	0	0
42 TRANBASE%	17,795	100.00%	0.00%	0.00%
43 DISTBASE	INT	306	0	118
44 DISTBASE%	423,989	72.08%	0.00%	27.92%
45 PreTax-PRDGTH	INT	0	6,558	0
46 PreTax-PRDGTH%	6,558	0.00%	100.00%	0.00%
47 PreTax-STOR	INT	7,353	0	0
48 PreTax-STOR%	7,353	100.00%	0.00%	0.00%
49 PreTax-DIST	INT	48,664	0	20,146
50 PreTax-DIST%	68,810	70.72%	0.00%	29.28%
51 TRANS_MAINS	INT	18,073	0	0
52 TRANS_MAINS%	18,073	100.00%	0.00%	0.00%

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PRESENT RATES - PEAK AND AVG. METHOD
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<u>Name</u>	<u>Total</u>	<u>Demand</u>	<u>Energy</u>	<u>Customer</u>
Allocator Values - Classification				
53 MAIN&SERVICE	INT	467,996	0	226,432
54 MAIN&SERVICE%	694,428	67.39%	0.00%	32.61%
55 PRDGTHO&MxA/C880	INT	0	3,312	0
56 PRDGTHO&MxA/C880%	3,312	0.00%	100.00%	0.00%
57 PRDGTHO&MxGas-E	INT	0	6	0
58 PRDGTHO&MxGas-E%	6,022	0.00%	100.00%	0.00%
59 ONSITEO&MxA/C880	INT	0	0	7,050
60 ONSITEO&MxA/C880%	7,050	0.00%	0.00%	100.00%
61 ONSITEO&MxGas	INT	0	0	55
62 ONSITEO&MxGas%	55,092	0.00%	0.00%	100.00%
63 DISTO&MxA/C880	INT	12,808	0	2,660
64 DISTO&MxA/C880%	15,468	82.80%	0.00%	17.20%
65 DISTO&MxGas	INT	29	0	14
66 DISTO&MxGas%	43,789	66.90%	0.00%	33.10%

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

4. Provide an exhibit for each customer classification showing the following data for the test year and the four previous years:
 - a. The maximum coincident peak day demand.
 - b. The maximum coincident 3-day peak day demand.
 - c. The average monthly consumption in Mcf during the Primary Heating season (November-March)
 - d. The average monthly consumption in Mcf during the Non-heating Season (April-October).
 - e. The average daily consumption in Mcf for each 12-month period.

Response:

See the attached schedules.

Equitable Gas Company

Exhibit IV
Item: 53.53 IV-B-4-a

52 PA. Code Ch. 53, Annex A

Part IV - Rate Structure

B-4-a- The Maximum Coincident Peak-day Demand

Future Test Year Ending December 31, 2008

	1/20/2008	2/5/2007	2/18/2006
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	275,230	273,075	257,126
Commercial	37,978	48,087	42,003
Industrial	750	762	2,114
Transportation	91,437	102,096	97,066
Unaccounted for Gas	25,876	22,317	20,964
Total	431,272	446,336	419,273

	1/23/2005	1/23/2004
Class	Sendout- Dth	Sendout- Dth
Residential	303,979	243,541
Commercial	41,313	38,649
Industrial	867	667
Transportation	122,166	133,797
Unaccounted for Gas	24,649	21,929
Total	492,974	438,582

Equitable Gas Company

Exhibit IV

Item: 53.53 IV-B-4-b

52 PA. Code Ch. 53, Annex A

Part IV - Rate Structure

B-4-b- The Maximum Coincident 3-day Peak-day Demand

Future Test Year Ending December 31, 2008

Heating Season 2007-2008	1/19/2008	1/20/2008	1/21/2008
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	222,765	275,230	218,325
Commercial	32,544	37,978	32,084
Industrial	643	750	634
Transportation	91,437	91,437	91,437
Unaccounted for Gas	22,174	25,876	21,860
Total	369,562	431,272	364,340

Heating Season 2006-2007	2/4/2007	2/5/2007	2/6/2007
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	258,619	273,075	262,658
Commercial	46,283	48,087	45,976
Industrial	733	762	729
Transportation	102,481	102,096	96,043
Unaccounted for Gas	21,480	22,317	21,337
Total	429,596	446,336	426,742

Heating Season 2005-2006	2/18/2006	2/19/2006	2/20/2006
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	257,126	213,316	160,304
Commercial	42,003	36,409	29,554
Industrial	2,114	1,832	1,487
Transportation	97,066	93,709	88,913
Unaccounted for Gas	20,964	18,172	14,750
Total	419,273	363,438	295,008

Heating Season 2004-2005	1/22/2005	1/23/2005	1/24/2005
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	262,369	303,979	265,971
Commercial	37,059	41,313	37,203
Industrial	777	867	780
Transportation	119,887	122,166	117,774
Unaccounted for Gas	22,110	24,649	22,196
Total	442,202	492,974	443,924

Heating Season 2003-2004	1/23/2004	1/24/2004	1/25/2004
Class	Sendout- Dth	Sendout- Dth	Sendout- Dth
Residential	243,541	231,273	224,689
Commercial	38,649	37,786	36,807
Industrial	667	652	635
Transportation	133,797	137,647	134,664
Unaccounted for Gas	21,929	21,440	20,884
Total	438,582	428,797	417,678

Equitable Gas Company**Exhibit IV****Item: 53.53 IV-B-4-c****52 PA. Code Ch. 53, Annex A****Part IV - Rate Structure****B-4-c- The average monthly consumption in Mcf (November-March)****Future Test Year Ending December 31, 2008**

Period	Month	Residential	Commercial	Industrial

2007	January	3,277,484	711,001	7,101
	February	4,164,362	996,040	12,542
	March	2,178,383	534,895	17,293
	November	2,029,097	393,823	2,561
	December	2,948,494	670,257	10,283

2006	January	2,737,563	644,747	32,446
	February	3,171,623	683,710	8,523
	March	2,203,554	583,334	11,014
	November	1,866,500	373,638	2,837
	December	2,658,499	562,013	4,802

2005	January	3,857,817	722,602	15,159
	February	3,061,223	685,760	18,170
	March	3,065,692	671,230	19,984
	November	1,948,504	348,266	9,575
	December	3,344,818	720,560	21,878

2004	January	4,630,281	933,552	16,103
	February	3,518,853	631,962	17,289
	March	2,358,747	482,655	9,331
	November	2,088,270	519,229	4,937
	December	3,012,753	633,453	10,262

2003	January	4,893,626	804,350	14,239
	February	3,899,723	807,822	19,668
	March	2,661,892	527,042	16,729
	November	1,899,882	326,144	5,438
	December	3,435,104	654,128	9,847

Equitable Gas Company**Exhibit IV****Item: 53.53 IV-B-4-d****52 PA. Code Ch. 53, Annex A****Part IV - Rate Structure****B-4-d- The average monthly consumption in Mcf (April-October)****Future Test Year Ending December 31, 2008**

Period	Month	Residential	Commercial	Industrial

2007	April	1,789,506	399,973	3,013
	May	503,717	141,003	2,961
	June	310,079	85,169	770
	July	332,940	94,861	999
	August	331,931	91,198	846
	September	395,370	95,323	640
	October	726,156	172,483	1,183

2006	April	1,073,267	292,971	5,751
	May	587,026	138,271	1,338
	June	361,741	114,960	835
	July	359,043	85,337	643
	August	304,143	79,808	675
	September	404,844	105,505	688
	October	1,024,099	249,691	1,182

2005	April	1,305,409	319,785	12,851
	May	847,283	236,782	7,024
	June	304,018	57,902	1,466
	July	360,634	87,725	2,966
	August	352,148	84,433	2,989
	September	332,621	78,809	2,019
	October	1,105,118	175,038	1,594

2004	April	1,750,057	453,153	12,266
	May	535,912	28,158	3,425
	June	558,013	262,792	1,885
	July	389,959	32,109	2,229
	August	333,096	68,569	607
	September	447,660	81,121	2,033
	October	1,155,134	284,157	1,877

2003	April	1,533,328	274,011	7,219
	May	826,549	113,055	4,466
	June	407,053	80,476	1,607
	July	418,655	84,864	1,132
	August	420,544	87,238	1,241
	September	420,189	113,821	1,736
	October	1,276,836	215,971	3,148

Equitable Gas Company

Exhibit IV

Item: 53.53 IV-B-4-e

52 PA. Code Ch. 53, Annex A

Part IV - Rate Structure

B-4-e- The average daily consumption in Mcf for 12 month period

Future Test Year Ending December 31, 2008

Period	Total Residential	Total Commercial	Total Industrial
2007	18,987,521	4,386,025	60,190
2006	16,751,901	3,913,985	70,734
2005	19,885,286	4,188,892	115,675
2004	20,778,734	4,410,909	82,243
2003	22,093,382	4,088,922	86,469

Residential Avg Mcf/day	Commerical Avg Mcf/day	Industiral Avg Mcf/day
52,021	12,017	165
45,896	10,723	194
54,480	11,476	317
56,772	12,052	225
60,530	11,203	237

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

5. Submit a Bill Frequency Analysis for each rate. The analysis should include the rate schedule and block interval, the number of bills at each interval, the cumulative number of bills at each interval, the Mcf or therms at each interval, the cumulative Mcf or therms at each interval, and the revenue at each interval for both the present rate and the proposed rates. The Analysis should show only those revenues collected from the basic tariff.

Response:

Please find attached a bill frequency analysis for the Equitable Gas Company rates. Please refer to Item III-E-20 for the revenue at each block interval for both the present and proposed rates.

EQUITABLE GAS COMPANY

Rate RS -Bill Frequency

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	325,908	325,908	160,666	160,666	2,395,670
1.1-2.0	556,461	882,369	823,107	983,772	4,340,858
2.1-3.0	296,863	1,179,232	739,709	1,723,482	5,868,522
3.1-4.0	153,925	1,333,157	539,578	2,263,060	7,174,080
4.1-5.0	104,049	1,437,206	471,187	2,734,247	8,352,777
5.1-10.0	404,469	1,841,675	3,032,418	5,766,665	12,959,035
10.1-15.0	323,050	2,164,725	3,997,504	9,764,169	15,706,974
15.1-20.0	188,718	2,353,443	3,262,730	13,026,899	17,176,279
20.1-25.0	97,683	2,451,126	2,175,067	15,201,965	17,946,615
25.1-30.0	49,643	2,500,769	1,353,929	16,555,894	18,360,184
30.1-40.0	39,372	2,540,141	1,340,111	17,896,005	18,726,845
40.1-50.0	12,161	2,552,302	536,667	18,432,672	18,863,172
50.1-100.0	7,861	2,560,163	487,510	18,920,182	18,995,082
100.1-200.0	627	2,560,790	80,493	19,000,676	19,025,076
200.1-300.0	57	2,560,847	13,803	19,014,478	19,033,978
300.1-400.0	14	2,560,861	4,794	19,019,272	19,039,672
400.1-500.0	21	2,560,882	9,338	19,028,610	19,043,610
500.1-1000.0	29	2,560,911	21,940	19,050,551	19,051,551
1000.1-2000.0	1	2,560,912	1,195	19,051,746	19,051,746

EQUITABLE GAS COMPANY

CAP

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	9,511	9,511	5,466	5,466	178,591
1.1-2.0	29,650	39,161	45,624	51,090	338,040
2.1-3.0	24,853	64,014	62,495	113,586	469,452
3.1-4.0	14,685	78,699	51,387	164,973	580,721
4.1-5.0	8,419	87,118	37,970	202,943	680,533
5.1-10.0	22,366	109,484	165,563	368,506	1,100,026
10.1-15.0	21,112	130,596	264,556	633,062	1,413,662
15.1-20.0	18,138	148,734	316,635	949,698	1,627,738
20.1-25.0	12,919	161,653	289,152	1,238,850	1,763,425
25.1-30.0	8,423	170,076	230,390	1,469,240	1,846,040
30.1-40.0	8,196	178,272	280,448	1,749,688	1,924,248
40.1-50.0	2,886	181,158	127,399	1,877,087	1,950,987
50.1-100.0	1,444	182,602	85,756	1,962,842	1,966,242
100.1-200.0	25	182,627	3,126	1,965,968	1,967,768
200.1-300.0	5	182,632	1,178	1,967,146	1,968,346
300.1-400.0	1	182,633	306	1,967,452	1,968,652
400.1-500.0	-	182,633	-	1,967,452	1,968,952
500.1-1000.0	3	182,636	1,832	1,969,284	1,969,284

EQUITABLE GAS COMPANY

FDS

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	13,872	13,872	8,409	8,409	146,838
1.1-2.0	33,949	47,821	50,328	58,737	267,697
2.1-3.0	17,742	65,563	44,098	102,835	363,049
3.1-4.0	8,689	74,252	30,413	133,247	445,443
4.1-5.0	5,663	79,915	25,626	158,873	520,803
5.1-10.0	24,889	104,804	188,758	347,631	822,601
10.1-15.0	21,769	126,573	269,235	616,866	1,002,786
15.1-20.0	12,548	139,121	216,626	833,492	1,097,092
20.1-25.0	6,252	145,373	139,175	972,667	1,145,867
25.1-30.0	3,224	148,597	87,925	1,060,592	1,171,712
30.1-40.0	2,369	150,966	80,505	1,141,097	1,194,497
40.1-50.0	760	151,726	33,592	1,174,689	1,203,439
50.1-100.0	535	152,261	33,074	1,207,762	1,211,762
100.1-200.0	35	152,296	4,270	1,212,032	1,213,032
200.1-300.0	5	152,301	1,215	1,213,247	1,213,247

EQUITABLE GAS COMPANY

GSS

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	46,087	46,087	11,081	11,081	128,490
1.1-2.0	16,733	62,820	23,996	35,077	236,429
2.1-3.0	8,905	71,725	22,429	57,507	332,820
3.1-4.0	6,645	78,370	23,452	80,959	421,463
4.1-5.0	5,439	83,809	24,660	105,619	504,054
5.1-10.0	18,120	101,929	132,639	238,258	853,928
10.1-15.0	11,748	113,677	145,959	384,217	1,131,502
15.1-20.0	8,670	122,347	151,155	535,372	1,358,352
20.1-25.0	6,857	129,204	153,867	689,239	1,546,539
25.1-30.0	5,448	134,652	149,623	838,862	1,704,182
30.1-40.0	7,766	142,418	269,501	1,108,363	1,951,483
40.1-50.0	5,486	147,904	245,425	1,353,788	2,133,388
50.1-100.0	11,042	158,946	760,308	2,114,096	2,569,096
100.1-200.0	3,756	162,702	499,979	2,614,075	2,772,875
200.1-300.0	507	163,209	119,973	2,734,048	2,820,148
300.1-400.0	138	163,347	47,162	2,781,210	2,840,810
400.1-500.0	37	163,384	16,750	2,797,960	2,853,960
500.1-1000.0	81	163,465	55,349	2,853,309	2,884,309
1000.1-2000.0	20	163,485	29,425	2,882,734	2,904,734
2000.1-3000.0	6	163,491	15,275	2,898,009	2,913,009
3000.1-4000.0	3	163,494	10,220	2,908,229	2,916,229
4000.1-5000.0	-	163,494	-	2,908,229	2,918,229
5000.1-6000.0	-	163,494	-	2,908,229	2,920,229
OVER-6000.0	2	163,496	13,344	2,921,573	2,921,573

EQUITABLE GAS COMPANY

GSL

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	399	399	62	62	7,303
1.1-2.0	145	544	220	283	14,475
2.1-3.0	107	651	277	559	21,526
3.1-4.0	107	758	387	947	28,475
4.1-5.0	89	847	406	1,352	35,317
5.1-10.0	304	1,151	2,226	3,578	68,468
10.1-15.0	240	1,391	3,023	6,602	100,337
15.1-20.0	182	1,573	3,196	9,798	131,138
20.1-25.0	159	1,732	3,600	13,398	161,098
25.1-30.0	130	1,862	3,571	16,968	190,308
30.1-40.0	266	2,128	9,235	26,203	246,683
40.1-50.0	225	2,353	10,128	36,331	300,681
50.1-100.0	1,235	3,588	92,854	129,185	534,385
100.1-200.0	1,773	5,361	253,649	382,834	838,634
200.1-300.0	980	6,341	240,385	623,218	1,012,918
300.1-400.0	470	6,811	162,634	785,852	1,117,452
400.1-500.0	264	7,075	116,637	902,490	1,184,990
500.1-1000.0	379	7,454	252,970	1,155,460	1,341,460
1000.1-2000.0	133	7,587	178,415	1,333,875	1,439,875
2000.1-3000.0	29	7,616	68,614	1,402,489	1,474,489
3000.1-4000.0	10	7,626	34,191	1,436,680	1,492,680
4000.1-5000.0	4	7,630	18,298	1,454,978	1,504,978
5000.1-6000.0	2	7,632	10,938	1,465,915	1,513,915
OVER-6000.0	8	7,640	97,902	1,563,818	1,563,818

EQUITABLE GAS COMPANY

GDS & DDS

Block Interval	Bills		MCF		Consolidated Factor
	In Each Interval	Cumulative	In Each Interval	Cumulative	
0.0-1.0	3,391	3,391	810	810	34,894
1.1-2.0	1,545	4,936	2,288	3,098	68,176
2.1-3.0	1,278	6,214	3,251	6,349	100,132
3.1-4.0	1,016	7,230	3,618	9,967	130,947
4.1-5.0	963	8,193	4,374	14,341	160,751
5.1-10.0	3,090	11,283	22,447	36,787	298,707
10.1-15.0	1,896	13,179	23,614	60,401	424,841
15.1-20.0	1,490	14,669	25,960	86,361	542,481
20.1-25.0	1,149	15,818	25,832	112,192	653,617
25.1-30.0	954	16,772	26,209	138,401	759,491
30.1-40.0	1,764	18,536	61,630	200,032	957,592
40.1-50.0	1,551	20,087	69,664	269,696	1,139,096
50.1-100.0	5,501	25,588	400,735	670,431	1,859,131
100.1-200.0	4,577	30,165	648,448	1,318,878	2,780,878
200.1-300.0	1,890	32,055	461,319	1,780,197	3,406,197
300.1-400.0	1,075	33,130	373,038	2,153,235	3,891,235
400.1-500.0	703	33,833	314,057	2,467,292	4,288,292
500.1-1000.0	1,677	35,510	1,168,268	3,635,560	5,600,560
1000.1-2000.0	858	36,368	1,190,581	4,826,141	7,040,141
2000.1-3000.0	330	36,698	809,636	5,635,777	7,966,777
3000.1-4000.0	178	36,876	619,397	6,255,174	8,651,174
4000.1-5000.0	103	36,979	464,911	6,720,085	9,200,085
5000.1-6000.0	80	37,059	441,037	7,161,121	9,657,121
OVER-6000.0	416	37,475	13,344,301	20,505,423	20,505,423

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

6. Supply copies of all present and proposed Gas Tariffs.

Response:

Copies of Equitable Gas Company's present and proposed tariff are attached and identified as PA PUC No. 22 and Supplement No. 60, respectively.

SUPPLEMENT NO. 59

TO

GAS - PA. P.U.C. NO. 22

EQUITABLE GAS COMPANY

A DIVISION OF EQUITABLE RESOURCES, INC.

SCHEDULE OF RATES, RULES AND REGULATIONS

FOR

GAS SERVICE IN

CITY OF PITTSBURGH

AND TERRITORY ADJACENT THERETO

(For Lists of Communities Served, see Page No. 4)

ISSUED: March 31, 2008

EFFECTIVE: April 10, 2008

Filed Pursuant to the Pennsylvania P.U.C.
State Tax Adjustment Procedure Regulations
At 52 Pa. Code Section 69.51 et seq.

Issued

By

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES
EQUITABLE GAS COMPANY
225 NORTH SHORE DRIVE
PITTSBURGH, PA 15212-5861

EQUITABLE GAS COMPANY

SUPPLEMENT NO. 59
TO GAS - PA. P.U.C. NO. 22
FIFTY-SIXTH REVISED PAGE NO. 2
CANCELING FIFTY-FIFTH REVISED PAGE NO. 2

CHANGE IN RATES AND TARIFF MODIFICATION

State Tax Adjustment Surcharge (STAS) on Page No. 90 is decreased to (0.09%) from (0.06%).

ISSUED: March 31, 2008

EFFECTIVE: April 10, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

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(C)

(C) Indicates Change.

EQUITABLE GAS COMPANY

CANCELLING FIRST REVISED PAGE NO. 4

EQUITABLE DISTRICT COMMUNITIES SERVED

(C)

The Company's charter territory includes Allegheny, Armstrong, Butler, Clarion, Fayette, Greene, Indiana, Jefferson, Washington, and Westmoreland Counties, Pennsylvania. Gas Service for the Equitable district is available in all localities where the Company has facilities, including all or a portion of the following Cities, Boroughs, and Townships:

ALLEGHENY COUNTY (Cities and Boroughs)

Aspinwall	Drovsburg	Millvale	Swissvale
Avalon	Duquesne	Monroeville	Tarentum
Baldwin	East McKeesport	Mt. Oliver	Thornburg
Bellevue	East Pittsburgh	Munhall	Trafford
Ben Avon	Edgewood	North Braddock	Turtle Creek
Ben Avon Heights	Emsworth	Oakmont	Verona
Bethel Park	Etna	Pitcairn	Versailles
Blawnox	Fox Chapel	Pittsburgh	Wall
Brackenridge	Franklin Park	Pleasant Hills	West Elizabeth
Braddock	Greentree	Plum	West Homestead
Braddock Hills	Heidelberg	Port Vue	West Mifflin
Brentwood	Homestead	Rankin	West View
Bridgeville	Ingram	Rossllyn Farms	Whitaker
Carnegie	Jefferson	Sewickley Heights	Whitehall
Cheswick	Liberty	Sewickley Hills	White Oak
Clairton	Lincoln	Sharpsburg	Wilkensburg
Crafton	McKeesport	Springdale	Wilmerding
Dormont	McKees Rocks		

ALLEGHENY COUNTY (Townships)

Aleppo	Indiana	O'Hara	Shaler
Collier	Kennedy	Ohio	South Fayette
East Deer	Kilbuck	Penn Hills	South Park
Forward	Marshall	Reserve	Springdale
Frazer	McCandless	Robinson	Stowe
Hampton	Mt. Lebanon	Ross	Upper St. Clair
Harmar	North Versailles	Scott	Wilkins
Harrison			

ARMSTRONG COUNTY (Boroughs)

Apollo	Elderton	Ford City
Atwood	Freeport	North Apollo

ARMSTRONG COUNTY (Townships)

Bethel	Gilpin	Parks	South Buffalo
Boggs	Kiskiminetas	Pine	Valley
Burrell	Kittanning	Plumcreek	Washington
Cadogan	Madison	Red Bank	Wayne
Cowenshannock	Manor	South Bend	West Franklin
East Franklin	North Buffalo		

BUTLER COUNTY (Townships)

Buffalo

CLARION COUNTY (Townships)

Limestone	Monroe	Porter	Red Bank

(C) Indicates Change.

ISSUED: December 31, 2001

EFFECTIVE: January 1, 2002

R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE DISTRICT COMMUNITIES SERVED (Continued)

(C)

<u>FAYETTE COUNTY (Boroughs)</u>			
Fairchance	Masontown		
<u>FAYETTE COUNTY (Townships)</u>			
Georges	German	Jefferson	South Union
<u>GREENE COUNTY (Boroughs)</u>			
Carmichaels	Jefferson	Waynesburg	
Clarksville	Mather		
<u>GREENE COUNTY (Townships)</u>			
Aleppo	Freeport	Monongahela	Springhill
Canter	Gilmore	Morgan	Washington
Cumberland	Greene	Morris	Wayne
Dunkard	Jackson	Perry	Whiteley
Franklin	Jefferson	Richhill	
<u>INDIANA COUNTY (Townships)</u>			
Buffington	North Mahoning	Washington	
East Mahoning	South Mahoning		
<u>JEFFERSON COUNTY (Townships)</u>			
Perry	Porter	Ringgold	
<u>WASHINGTON COUNTY (Boroughs)</u>			
Beallsville	Cokeburg	Ellsworth	New Eagle
Bentleyville	Deemston	Finleyville	
Canterville	Donara	Monongahela	
<u>WASHINGTON COUNTY (Townships)</u>			
Amwell	East Finley	Nottingham	South Strabane
Carroll	East Pike Run	Morris	Union
Cecil	Fallowfield	Peters	West Bethlehem
Chartiers	North Bethlehem	Somerset	West Pike Run
East Bethlehem	North Strabane	South Franklin	
<u>WESTMORELAND COUNTY (Cities and Boroughs)</u>			
Arnold	New Kensington	Vandergrift	
Hyde Park	Oklahoma	West Leechburg	
Mahoning	Trafford		
<u>WESTMORELAND COUNTY (Townships)</u>			
Allegheny	Franklin	North Huntingdon	Upper Burrell
Bell	Lower Burrell	Penn	Washington

(C) Indicates Change.

ISSUED: December 31, 2001

EFFECTIVE: January 1, 2002

R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

APOLLO DISTRICT COMMUNITIES SERVED

(C)

Gas service for the Apollo District is available in all localities where the Company has facilities, including all or a portion of the following Cities, Boroughs, and Townships:

ALLEGHENY COUNTYBoroughs

Tarentum

Townships

East Deer

Frazer

Harrison

ARMSTRONG COUNTYBoroughs

Apollo

Ford City

North Apollo

Townships

Bethel

Boggs

Burrell

Cadogan

Cowanshannock

East Franklin

Gilpin

Kiskimenatas

Kittanning

Madison

Manor

North Buffalo

Parks

Pine

Plumcreek

Redbank

South Bend

South Buffalo

Washington

Wayne

West Franklin

CLARION COUNTYTownships

Limestone

Monroe

Porter

Redbank

INDIANA COUNTYTownships

Buffington

East Mahoning

North Mahoning

JEFFERSON COUNTYTownships

Perry

Porter

Ringgold

WESTMORELAND COUNTY

Arnold

Lower Burrell

New Kensington

Boroughs

Mahoning

Hyde Park

Oklahoma

Vandergrift

West Leechburg

Townships

Allegheny

Bell

Upper Burrell

Washington

(C) Indicates Change

ISSUED: December 31, 2001

EFFECTIVE: January 1, 2002

R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

CLASSIFICATION OF CUSTOMERS TO WHOM SERVICE IS MADE AVAILABLE

Gas service is made available under the rules, regulations and terms and at the rates contained in this Tariff, to the following classes of customers:

Residential Customers

(C)

Customers receiving the Company's gas service to a single family dwelling or building, or through one meter set to three or fewer dwelling units in a multi-family residence or building, or through one meter set to a combination of one dwelling unit and one or more business premises, where the residential premises are the predominant gas use factor. A Customer is defined as a natural person in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property for which service is requested.

For purposes of curtailment and priority of service pursuant to Rule 7 -Curtailment of Service - master-metered housing projects, which are otherwise classified as commercial, shall be considered residential customers, provided the units in the project are self-contained, that is have individual heating units.

Commercial Customers

Customers who are engaged in selling, warehousing or distributing a commodity or service, including boarding homes and personal care homes, engaged in some business activity or profession, or in some other form of economic, social, or cultural activity, not primarily involving the manufacturing or processing of a product; and customers who receive the Company's gas service through one meter set to a combination of four or more dwelling units and through one meter set to a combination of up to three dwelling units and one or more business premises, where the business premises are the predominant gas use factor.

For purposes of curtailment and priority of service pursuant to Rule 7 -Curtailment of Service - master-metered housing projects, which are also included in this classification, will be considered residential customers, provided the units in the project are self-contained, that is have individual heating units.

Industrial Customers

Customers who are engaged in a process which creates or changes raw material or unfinished materials into another form or product.

Heating Customers

Customers who use the Company's gas as the principal fuel for space or building heating.

(C) Indicates Change.

RULES AND REGULATIONS

1. Establishing Service
 - 1.1 Meters and Fittings
 - 1.2 Applications for Service Extension of Mains
 - 1.3 Other Service Conditions
 - 1.4 Service Pipes and Fittings
 - 1.5 Subject to Company Inspection/Duty of Customer to Maintain
 - 1.6 Service Application
 - 1.7 Deposits and Advance Payments
 - 1.8 Resale of Gas By Customer
2. Gas Measurement
 - 2.1 Meter Tests
 - 2.2 Definition of a Cubic Foot
 - 2.3 Estimated Consumption
 - 2.4 Exceptions to Use of Meters
3. Billing and Payment Thereof
 - 3.1 Customer at Two Locations
 - 3.2 Billing and Payment
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 - 3.6 Customer Complaints (C)
4. Access to Premises
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 - 5.1 Customer's Responsibility for Tampering with Meter and Equipment
6. Disconnection, Reconnection and Service Call Terms and Fees
 - 6.1 Disconnection
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 - 6.4 Customer Service Charge
 - 6.5 Seven Days Notice
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7. Curtailment of Service
 - 7.1 Priority of Service
 - 7.2 Definitions
 - 7.3 Base Period Volumes
 - 7.4 Gas Shortage, Curtailment
 - 7.5 Penalty Provisions for Excess Takes
 - 7.6 Availability of Excess Gas
 - 7.7 Disposition of Penalties
 - 7.8 Emergency Curtailment

(C) Indicates Change

RULES AND REGULATIONS (CONTINUED)

- 8. Liability
 - 8.1 Failure of Supply
 - 8.2 Disclaimer of Warranty; Limitation of Liability
 - 8.3 Waste, Leaks, Excessive Pressure, etc., Notice to Company
- 9. Service From Field Line
 - 9.1 Company May Discontinue Service
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 - 9.4 Customer to Furnish Regulator
 - 9.5 Customer Assumes Risk
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- 11. Rules Applicable to Delivery and Pooling Services (C)
 - 11.1 Sign-up Procedures
 - 11.2 Service Agreement
 - 11.3 Natural Gas Supply Shortage
 - 11.4 Shrinkage
 - 11.5 Quality of Gas
 - 11.6 Obligation to Serve
 - 11.7 Company Agency
 - 11.8 Verification of Gas Delivered
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 - 11.10 Commingled Gas
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 - 11.12 Estimated Consumption
 - 11.13 Operational Flow Order (OFO)
 - 11.14 Finance Charge
 - 11.15 Gross Receipts Tax
 - 11.16 Liability
 - 11.17 Maximum Daily Quantity
 - 11.18 Customers Switching Suppliers
 - 11.19 Commercial and Industrial Customers
 - 11.20 Creditworthiness
 - 11.21 Acceptable Business Practices
 - 11.22 BTU Conversion Factor
 - 11.23 Consumption Information
 - 11.24 Dispute Resolution
 - 11.25 Standards Of Conduct
 - 11.26 Privacy Of Customer Information
 - 11.27 Partial Payments
 - 11.28 Customer Complaints with Natural Gas Suppliers

(C) Indicates Change

EQUITABLE GAS COMPANY

RULES AND REGULATIONS

1. ESTABLISHING SERVICE

1.1 Meters and Fittings

The Company will, at its own expense unless otherwise agreed, make the necessary connection between its gas main and the curb, furnish a stop cock, provide a meter, and if it deems it necessary, a gas regulator, also a globe valve or stop cock, and necessary fittings to connect meter, or meter and regulator, to service line and house line. The meter and meterset fittings shall be and remain the property of the Company.

Meters will be installed at the Company's expense only upon request and subject to the following conditions:

- (a) The Company will install one (1) meter per customer service line.
- (b) The type, size and location of the meter will be determined by the Company.
- (c) An individual service line shall be required for each unit of a newly constructed structure consisting of modules which can be sold or leased as and function as separate entities, and having within each such unit control of the total gas energy requirements of that unit, including all interior piping. The requirement of one meter per service line shall apply to renovations of existing structures which meet the aforesaid independency requirements and to which gas service has not been provided for a period of at least one (1) year. The requirement of one meter per service line may be waived for other structures. In this latter event, additional meters will be set by the Company, provided the customer shall bear the cost of all additional meter installations and house line alterations, and such cost of service line alterations as shall be permitted by law.
- (d) Outlet piping from the meter shall not pass through space or property that is or could be controlled or owned by an individual or individuals other than the customer.
- (e) All customer-owned piping shall be installed in accordance with the Company's "Installation Standards Gas Piping and Customer's Premises," dated May 1996, as it now exists or as hereinafter amended, and which is presently on file with the Commission.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

1.1 Meters and Fittings (Continued)

- (f) Nothing contained in this Rule shall preclude the customer from installing additional meters behind the Company's meter for the purpose of measuring, controlling and/or determining the flow of gas to the customer's premises. The cost of such additional meters, including the installation thereof shall be borne by the customer and such installation shall comply with subsection (e) above.
- (g) Exceptions to the requirements of subsections (a) through (e) may be permitted by the Company upon special circumstances and upon good cause shown.

1.2 Applications For Service Extension of Mains

The Company will extend its facilities to a new point of delivery within its service territory if, in its judgment and consistent with Pennsylvania Public Utility Commission regulations, the service to such a new point of delivery will have no adverse effect upon the availability of gas to meet the present and reasonably foreseeable volume and pressure needs of existing ratepayers and the request is not for special utility service. "Special utility service" shall include (a) a request for utility service when the applicant has an installed alternative fuel capability; (b) a request for utility service when the applicant is already receiving natural gas service from another Pennsylvania public utility; (c) a request for utility service from an applicant located in an area in which another natural gas utility is authorized to serve the applicant; (d) a request for utility service by a builder or developer of a residential lot plan who is requesting an extension of the Company's facilities in anticipation of future homeowners' need for natural gas supplies; (e) any request for service by an applicant who, in the Company's view, is unlikely to remain on the Company's system for a sufficient period of time to justify the extension. In the case of requests for a "special utility service," the Company may condition the extension of facilities upon the applicant's providing a contribution in aid of construction (CIAC), the amount which will be determined by the Company.

Even if an applicant's request is not for a "special utility service," the Company may request a CIAC to the extent that the applicant's projected contributions to the Company's costs over the three years immediately following the completion of the extension do not cover the full cost of the extension; provided that the full cost of the extension shall not include the cost of the meter or company (main to curb) service line which shall be borne by the Company. If the Company

RULES AND REGULATIONS - (CONTINUED)

1.2 Applications For Service Extension of Mains (Continued)

requests a CIAC from an applicant whose request is not for "special utility service," and additional volumes are added to the extended facilities financed by the applicant's CIAC within three years of the date of completion of the facilities, the applicant who paid the CIAC will be entitled to a pro rated refund during the three-year period immediately following completion of the extension.

1.3 Other Service Conditions

(C)

In the case of an industrial or commercial customer, the Company may condition the acceptance of a particular application for the initiation or increase of service, whether or not an extension of facilities is required to provide such service, by the establishment of guarantees of revenues or other appropriate conditions, including, but not limited to, the setting of maximum daily volumes to be provided, when such application involves the commitment of a gas supply to provide the service requested or involves conditions of service different from that normally provided to its other customers.

In the case of residential service, prior to providing utility service, the Company may require the Applicant to provide the names of each adult occupant residing at the location and proof of their identity.

1.4 Service Pipes and Fittings

The customer shall, at the customer's own expense, furnish and install all service pipes, fixtures, fittings, valves and appliances, and all materials necessary for meter installations, as required by the Company, between the Company's curb box and the point of consumption of the gas except as otherwise provided in Rule 1; maintain all of the same in good condition and repair, and renew the same when necessary, furnishing such materials, labor and supervision as may be necessary to transport and burn the gas with safety, and shall be liable for any failure to do so.

1.5 Subject to Company Inspection/Duty of Customer to Maintain

The character and arrangement of the facilities through which the gas is transported from the Company's curb box to the point of consumption shall be subject to the inspection and approval of an authorized agent of the Company, but the Company shall not be responsible in any manner for the installation, use and maintenance of those facilities, and shall have no duty or obligation with respect to the care, maintenance or supervision of the facilities.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

1.6 Service Application

(C)

An Applicant is defined as a natural person not currently receiving service who applies for service provided by the Company or any adult occupant whose name appears on the mortgage, deed or lease of the property for which service is requested. All applications for service must be made at least three (3) days prior to the date service is to be initiated. Applications will be accepted, subject to a credit investigation of the Applicant and approval by the Company prior to the initiation of service.

The Company shall not accept an application for new or continued service to a multi-unit building or mobile home park except where such application (1) is made by tenants of the landlord ratepayer pursuant to §1527(a) and (b) of the Public Utility Code (§56.125 of the Commission's regulations); (2) is made pursuant to §1527(d) of the Public Utility Code by a tenant for individual service to the tenant's dwelling unit and such individual service can be accomplished without a major revision of distribution facilities or additional right-of-way acquisitions; or (3) is made by a person with an ownership interest in the affected premises.

1.7 Deposits and Advance Payments

(C)

The Company reserves the right to collect, prior to or as a condition of providing service, a cash deposit from an Applicant in an amount that is equal to one-sixth of the Applicant's estimated annual bill. The estimated annual bill shall be calculated on the basis of the annual bill to the dwelling at which service is being requested for the prior twelve (12) months, or, if unavailable, a similar dwelling in close proximity selected by the Company. The Company shall not be required to provide service if the Applicant fails to pay the full amount of the cash deposit. A cash deposit may be requested from the following:

- (1) An Applicant who previously received utility distribution services and was a Customer of the Company and whose service was terminated for any of the following reasons:
 - a. Nonpayment of an undisputed delinquent account.
 - b. Failure to complete payment of a deposit, provide a guarantee or establish credit.
 - c. Failure to permit access to meters, service connections or other property of the Company for the purpose of replacement, maintenance, repair or meter reading.
 - d. Unauthorized use of the natural gas service delivered on or about the affected dwelling.
 - e. Failure to comply with the material terms of a settlement or Payment Agreement.
 - f. Fraud or material misrepresentation of identity for the purpose of obtaining service from the Company.

(C) Indicates Change.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (Continued)

1.7 Deposits and Advance Payments (Continued)

(C)

- g. Tampering with meters, including, but not limited to, bypassing a meter or removal of an automatic meter reading device or other Company equipment.
 - h. Violating tariff provisions on file with the Commission so as to endanger the safety of a person or the integrity of the delivery system of the Company.
- (2) Any Applicant or Customer who is unable to establish creditworthiness to the satisfaction of the Company through the use of the Company's credit scoring methodology approved at Docket No. P-00011915.
- (3) A Customer who fails to comply with a material term or condition of a settlement or Payment Agreement.

Applicants required to pay a deposit upon reconnection pursuant to Section 1.7(1) shall have up to ninety (90) days to pay the deposit.

In lieu of a cash deposit, an Applicant may furnish a third-party guarantor. The guaranty shall be a written document established by the Company stating the terms of the guaranty. The guarantor shall be responsible for all missed payments owed to the Company. The Company reserves the right to require payment in advance for its seasonal regulated service, when customers elect to take such service, in an amount equal to the estimated total gross charges for such seasonal service as determined by the provisions of the rate under which this service is taken.

Deposits secured from a residential customer may be held by the Company until a timely payment history is established, or for a maximum period of twenty-four (24) months. A timely payment history is established when a customer has paid in full and on time for twelve (12) consecutive months.

At the end of the Deposit Hold Period, the Company will deduct any outstanding Customer balance from the deposit and return or credit any positive difference to the Customer. If distribution service is terminated before the end of the Deposit Hold Period, the Company will deduct any outstanding Customer balance from the deposit and return any positive difference to the Customer within sixty (60) days of termination. If the Customer becomes delinquent before the end of the Deposit Hold Period the Company may deduct the outstanding Customer balance from the deposit.

The Company will accrue interest on all cash deposits until it is returned or credited at the legal rate of interest pursuant to the loan interest and protection law (section 202 of the act of January 30, 1974 p.l.13, no. 6).

(C) Indicates Change.

ISSUED: October 18, 2005

EFFECTIVE: December 17, 2005

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (Continued)

1.8 Resale of Gas By Customer

All gas sales pursuant to the terms of this Tariff are to the ultimate purchaser and are not to be resold for profit in violation of 66 Pa. C.S.A. Section 1313.

2. GAS MEASUREMENT

2.1 Meter Tests

The measurement of gas by meter shall be conclusive upon the customer and the Company excepting when such meter ceases to register, proves to be defective, or is found by test not to be accurate within the limits specified in the Regulations of the Pennsylvania Public Utility Commission. In such cases, the consumption for the period in question shall be estimated unless the Commission's regulations require otherwise. In the event of the customer's dissatisfaction with the accuracy of the meter, the Company will, upon written application, have the same removed, sealed and tested, and a certificate of test given the customer. If the meter so tested shall be found to be accurate within the limits specified in the Regulations of the Pennsylvania Public Utility Commission, the customer shall, upon presentation of bill, pay the Company for such test according to the schedule of charges for testing meters formulated by the Commission.

2.2 Definition of a Cubic Foot

- (a) Low Pressure Sales: For sales at standard distribution or low pressure other than as provided for under (b) below, a cubic foot of gas shall be the amount of gas which occupies a volume of one cubic foot at the time metered and under the conditions existing at the customer's meter.
- (b) Other than Low Pressure Sales as under (a) above: For sales at high or intermediate pressures not covered under (a) above, a cubic foot of gas shall be that amount of gas that occupies a volume of one cubic foot at an absolute pressure of 14.73 pounds per square inch and a temperature of 60° Fahrenheit.

2.3 Estimated Consumption

The Company will estimate consumption for one month of each meter reading period where scheduled meter readings are on a bi-monthly basis (See Rule 3.2), and will estimate consumption when scheduled meter readings are not obtained because of emergency conditions or inability to gain access to the meter location, or where a meter for any reason

RULES AND REGULATIONS - (CONTINUED)

2.3 Estimated Consumption (Continued)

fails to register properly the full consumption of a customer, or where the Company is unable to obtain a meter reading for other causes beyond its control.

The customer shall be obligated to pay the bill based on the estimated consumption as though the same was based on an actual meter reading, and failure to so pay may subject the customer and service to Rule 6. Bills based on estimated readings shall be subject to adjustment for any unusual circumstances found to have affected the quantity of gas used.

The customer's service is subject to discontinuance if more than five consecutive bills are based on other than actual meter readings by Company personnel.

2.4 Exceptions to Use of Meters

In cases of emergency where appropriate meters are not available due to circumstances beyond the control of the Company, and the necessity for rendering gas service to a customer is urgent, the Company may, by written agreement with the customer, render bills temporarily on a basis of estimated gas consumption.

2.5 Automatic Meter Readings

(C)

All readings by an automatic meter reading device shall be deemed actual readings.

3. BILL AND PAYMENT THEREOF3.1 Customer at Two Locations

The Company's rates are based upon gas supply through a single delivery point, as measured by one meter. Separate supply for the same customer account at other points of delivery or through more than one meter shall be billed separately. In the event that it is necessary to provide service to a customer through more than one meter because of the system limitations of the Company, combined billing will be permitted.

3.2 Billing and Payment

Bills will be rendered and be payable once each month. The Company may read any meter once each month, but ordinarily it will read meters of residential and commercial customers once each two months. As to any customer whose meter is read once each two months, the consumption for the first month of each bi-monthly meter reading period shall be estimated on the basis of the customer's previous usage, adjusted for weather conditions; and the consumption for the second month of each bi-monthly meter reading period shall be determined by subtracting the first month's estimated consumption from the total actual consumption for the bi-monthly period shown by the meter. The bill for each month shall be the result of applying to the consumption, the applicable rates and charges contained in this tariff.

(C) Indicates Change.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

3.2 Billing and Payment (Continued)

Upon request the Company will supply any customer annually with a card form upon which the customer may record the meter reading at the end of the first month of each bi-monthly meter reading period. If the card is received by the Company on the date specified on the card, the bill for the month will be computed from the meter reading shown on the card instead of by estimate. The Company will adjust estimates of bills for changes in condition of which it has been notified in advance by a customer. The Company reserves the right to reassign customers into a different billing cycle. If the Company receives a negotiable instrument from an applicant or a customer as payment of any bill, charge or deposit due, and if the instrument (including electronic payment) is subsequently dishonored or is uncollectible for any reason, the Company may charge the applicant or customer a charge of twenty-five dollars (\$25.00).

3.3 Dishonored Payment

If the Company receives a negotiable instrument from an applicant or a customer as payment of any bill, charge or deposit due, and if the instrument (including electronic payment) is subsequently dishonored or is uncollectible for any reason, the Company may charge the applicant or customer a charge of twenty-five dollars (\$25.00).

3.4 Time and Place of Payment

Payments made by mail are assumed to be made on the date of the postmark. Payments made direct at payment receiving offices of the Company and its authorized payment agencies shall be deemed to have been made on date of actual receipt of payment. Bills to the Commonwealth of Pennsylvania or any department or institution thereof, and the United States of America or any department thereof, paid within 30 days from the date of mailing will not be subject to the Finance Charge. Billings made on or after the effective date of a new rate or rider will be made in accordance therewith.

3.5 Execution and Bankruptcy

Service shall, at the option of the Company, cease and terminate, and all claims for previous gas service shall become forthwith due and payable without notice from the Company under the following circumstances, (1) in case a writ of execution is issued against the customer; (2) in case the premises described or referred to in the application as the place at which the gas is to be delivered are levied upon under execution; (3) in case personal property thereon is levied upon under execution; (4) or in case of an assignment or other act of bankruptcy of the customer.

RULES AND REGULATIONS - (CONTINUED)

3.6 Customer Complaints

(C)

A Customer must contact the Company about a problem prior to filing a complaint with the PUC. The Company's complaint handling and resolution procedures will conform to the provisions of the PUC's applicable rules and regulations. Pending the outcome of any complaint filed with the PUC, Customers are required to pay that portion of their bill which is not in dispute and subsequent bills which are not in dispute.

4. ACCESS TO PREMISES

4.1 Right of Entry at Reasonable Time

The Company shall have, at all reasonable times, the right to enter in and upon the premises of a customer to (1) read, repair or change meters, or to repair or change regulators, inspect lines and appliances to determine if the gas is being carried, distributed and burned properly and in accordance with these Rules and Regulations (2) to discontinue service and (3) to reclaim any of the property of the Company which may be upon the premises.

4.2 Location of Meter and Accessibility

Meters shall, wherever practicable, be located outside the residence or main building of the customer, but, if located inside, shall be accessible to the Company and shall be placed at a location common to all meters; and, in addition, at structures occupied by persons other than the legal owners thereof, shall not be part of the living quarters of any tenant.

5. TAMPERING

5.1 Customer's Responsibility for Tampering with Meter and Equipment

Where the service facilities or other equipment have been tampered with, resulting in improper measurement of the service supplied or failed transmission of measurement data to the Company, the customer shall be required to pay for such gas service as the Company may estimate, from available information, to have been used but not registered by the Company's meters, and in addition thereto, shall be required to bear all costs incurred by the Company for investigations and inspections, repairs and for such protective equipment as, in the judgment of the Company, may be necessary.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

6. DISCONNECTION, RECONNECTION AND SERVICE CALL TERMS AND FEES

6.1 Disconnection

The authorized agents of the Company shall at all reasonable times have access to the premises of the customer with the right to shut off the gas and remove its property from the premises upon reasonable notice, unless otherwise required by the Commission's regulations, for any of the reasons listed below. Discontinuance or termination of service for any of the following reasons shall not relieve a customer from liability for any minimum payments due:

(a) Replacement, Maintenance, Repairs, Non-payment, Meter Reading

(C)

For failure to permit access to meters, service connections or other property of the Company for the purpose of replacement, maintenance, repair or meter reading; for non-payment of any undisputed delinquent account; for failure to complete payment of a deposit, provide a guarantee of payment or establish credit; and for failure to comply with the material terms of a Payment Agreement. The Company cannot terminate service for nonpayment of competitive third party natural gas supplier charges.

A Payment Agreement is an agreement whereby the Customer, upon admitting liability for billed service, is permitted to amortize or pay the unpaid balance of the account in one or more payments.

(b) Violation of Contract, Misrepresentation, Unauthorized Use

(C)

For any violation of the terms of service or of these Rules and Regulations so as to endanger the safety of a person or the integrity of the distribution system; or for fraudulent misrepresentation in relation to the consumption of gas or customer identity for the purpose of obtaining service; or unauthorized use of service.

(c) Tampering With Meter or Other Utility Equipment

For tampering with the meter or connection, or for the use of gas through rubber hose, defective piping, or unsafe appliances;

(d) Shortage of Gas, Larceny

For shortage of gas or reasons for safety; for larceny of gas; for any action by the customer to secure through the customer's meter, gas for purposes other than those contracted for, or for any other party, without the written consent of the Company.

(C) Indicates Change.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (Continued)

6.1 Disconnection (Continued)

(e) Dangerous Conditions

(C)

If a dangerous condition is found to exist on the premises of customer.

(f) Dishonorable Tender of Payment After Receiving Termination Notice

(C)

After the Company has provided a written termination notice and attempted telephone contact, termination of service may proceed without additional notice if: (1) a customer tenders payment which is subsequently dishonored, or (2) a customer tenders payment with an access device which is unauthorized, revoked, or cancelled.

(C) Indicates Change.

ISSUED: October 18, 2005

EFFECTIVE: December 17, 2005

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

RULES AND REGULATIONS - (Continued)

6.2 Reconnection Charge

(C)

The Company may not deny restoration of service for the nonpayment of competitive third party natural gas supplier charges.

(a) Residential

(1) Residential Termination for Non-payment/Noncompliance

Whenever a residential customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, a reconnection charge of \$50.00 must be paid at the office of the Company before the gas will be turned on again.

(2) Payment of Outstanding Balance

The Company may also require the payment of any outstanding balance or portion of an outstanding balance if an applicant resided at the property for which service is requested during the time the outstanding balance accrued and for the time the applicant resided at the property.

(3) Disconnection at Customer's Request

If service is discontinued at the request of a residential customer, the Company shall not be under any obligation to resume service to the same customer at the same premises within twelve months unless it shall receive payment of the reconnection charge of \$50.00.

(b) Commercial

If commercial service is terminated in case of non-payment of bills for regulated service, or is discontinued at the request of the customer, the Company shall not be under any obligation to resume service to the same customer at the same premises within twelve months unless it shall receive payment of an amount equal to the minimum charge for each month of the intervening period.

(c) Industrial

If industrial service is terminated in case of non-payment of bills for regulated service, or is discontinued at the request of the customer, the Company shall not be under any obligation to resume service to the same customer at the same premises within twelve months unless it shall receive payment of an amount equal to the minimum charge for each month of the intervening period.

6.3 Transfer and Connection Fees

The Company shall charge a transfer fee of \$25.00 to residential and commercial applicants when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises.

The Company shall charge a connection fee of \$25.00 for residential and commercial applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location, except where 6.2 applies.

(C) Indicates Change

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

6.3 Transfer and Connection Fees (Continued)

In no case shall a connection or transfer fee be charged to a residential ratepayer whose income does not exceed 150% of the Federal Poverty Level and/or who is eligible to receive a LIHEAP award; or to the builder of a residence or commercial building who is using natural gas during the construction process; or to a ratepayer in a competitive posture, as determined in the sole discretion of the Company. Separate connection fees for reinstatement are set forth in Section 6.2.

6.4 Customer Service Charge

Any customer requesting service that requires an on-site visit will be charged a service charge of \$25. On-site visits shall include, but not be limited to, shut-offs and high bill investigation. In the case of a high bill investigation, no charge shall apply if the investigation detects a metering error or the investigation is related to unusual variations in a customer's usage. In lieu of the \$25 service charge, the following service charges will apply to the corresponding service: \$200 service charge for a temporary service line; \$50 service charge for the relighting of an appliance; and \$100 service charge for inspection of residential, renewed, house lines.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

6.5 Seven Days Notice

Customers who intend to remove from the premises, discontinue the use of gas or terminate in any manner their liability to pay for gas delivered to the premises, shall give seven days' notice thereof; otherwise they will be held responsible for all gas delivered to the premises until seven days shall have expired after such notice has been received. New occupants must make application at the office of the Company at the time they commence the use of gas, or they will be held responsible for any back charge against the premises.

6.6 Final Bill

Except as otherwise provided in this rule, final bills for customers receiving service under any rate schedule within this tariff may be based on estimated consumption without an actual meter reading. When disconnect and reconnect orders are executed on different days, an actual or estimated meter reading shall be obtained. When disconnect and reconnect orders are executed on the same day, final bills may be

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

6.6 Final Bill (Continued)

estimated. When a final bill is estimated, consumption shall be based on average daily usage for non-heat usage, average usage per degree day for heating usage, and the number of days in the final billing period in accordance with the Rule 6.5 Seven Days Notice. Final bills will not be estimated when usage factors cannot be calculated, when a customer specifically requests that the meter be read, or when the customer provides the meter reading which is subject to the Company's review. The Company reserves the right to estimate any customer's final meter reading in instances where access to the meter is not provided within a reasonable time.

7. CURTAILMENT OF SERVICE

When for any reason, in the Company's judgment, its supply of gas is insufficient to meet the firm requirements of all customers on a continuing basis, the Company shall have the right to partially or completely curtail gas service. This rule does not apply to normal limitations on the use or interruption of interruptible service contemplated pursuant to the Company's interruptible service offerings.

7.1 Priority of Service

Curtailement of service will commence with the highest numbered priority set forth below and proceed in descending order to the next lower numbered priority after all requirements in the higher number priority have been completely curtailed. Where only partial curtailment of one priority is required, such will be implemented pro rata, that is, weighted in accordance with the base period volumes of the customers within that classification. Following are the priority of service categories listed in descending order of priority:

- (1) Residential and firm critical commercial essential human needs.
- (2) Firm small commercial requirements, excluding critical essential human needs requirements in Category 1, and firm large commercial, as well as large and small industrial requirements for plant protection.
- (3) Firm small industrial requirements excluding plant protection requirements in Category 2.
- (4) Firm large critical commercial and industrial requirements, excluding firm critical commercial essential human needs requirements in Category 1 and firm commercial and industrial requirements for plant protection in Category 2.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.1 Priority of Service (Continued)

- (5) Firm large non-critical commercial and industrial requirements other than requirements for boiler fuel use.
- (6) Firm large non-critical commercial and industrial requirements for boiler fuel use when the boiler fuel usage in the aggregate is greater than 300/Mcf/day.
- (7) Service which is interruptible pursuant to the Company's tariff rate schedules.

7.2 Definitions

The definitions for terms used in the Priority of Service Rule are as follows:

Alternate Fuel Capability: The ability to use an alternate fuel, whether or not the facilities for such use have actually been installed. For purposes of this definition, alternate fuel means any fuel other than natural gas, propane or other gaseous fuel.

Commercial Use: Gas usage by customers engaged primarily in the sale of goods or services including, but not limited to, consumption by office buildings, institutions and governmental agencies. Commercial use shall not include use of gas for manufacturing or electric power generation.

Critical Use: Gas usage where natural gas, propane or other gaseous fuel is the only feasible form of energy due to its combustion characteristics, controllability or chemical properties.

Essential Human Needs Use: Gas usage by customers without alternate fuel capability for service to any buildings where persons normally dwell, including, but not limited to, apartment houses, dormitories, hotels, hospitals and nursing homes as well as the use of natural gas by sewage plants.

Firm Service: Service pursuant to schedules or contracts under which the utility is expressly or impliedly obligated to deliver specific volumes within a given time period or which anticipate no interruptions, but which may permit unexpected interruptions in case service to higher priority customers is threatened. A utility shall be deemed to be impliedly obligated to deliver specific volumes where such utility has by any means previously or presently established periodic allocations for its customers.

Industrial Use: Gas usage by customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.2 Definitions (Continued)

Interruptible Service: Service pursuant to schedules or contracts under which the utility expressly or impliedly reserves the option to interrupt or curtail deliveries.

Non-Critical Use: Gas usage where natural gas, propane or other gaseous fuel is not the only feasible form of energy, i.e., where the user has alternate fuel capability.

Plant Protection Use: Minimum volumes of natural gas required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternative fuel. Plant protection requirements include volumes necessary for the protection of such material in process as would otherwise be destroyed, but does not include deliveries required to maintain production.

Residential Use: Gas usage in a residential dwelling or unit for space heating, air-conditioning, cooling, water heating or other domestic purposes.

Large Commercial and Industrial Customers: Commercial and industrial customers having a peak day usage of 300 Mcf per day or more.

Small Commercial and Industrial Customers: Commercial and industrial customers with peak day usage of less than 300 Mcf per day.

Peak Day: The highest maximum monthly volume in the base period, divided by the number of billing days in that month.

Monthly Entitlement Volumes: The maximum volume of gas that the Company is obligated to deliver to a commercial or industrial customer in a month.

Maximum Seasonal Volumes: The total of the monthly authorized volumes for the following time periods:

- a) Winter Season: The billing months of November through March.
- b) Summer Season: The billing months of April through October.

The customer shall be billed and shall pay for all volumes taken in excess of the customer's maximum seasonal volumes at the applicable rate, together with any other applicable charges pursuant to Rule 7.5 herein.

Monthly Authorized Volumes: The customer's monthly entitlement volume reduced or limited as a result of the application of the curtailment provisions set forth in Rules 7, 7.1 and 7.3.

(C) Indicates Change.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.3 Base Period Volumes

Monthly entitlement volumes shall be established for each commercial and industrial customer, having a peak day usage of 300 Mcf/d or more, on the basis of actual billing month usage for a 12 month period at the Company's discretion extending from January 1, 1971 through December 31, 1971. Such maximum monthly volumes shall constitute a customer's base period volume and shall be used to provide for the equitable allocation of gas available for sale to firm customers.

The base period volume shall be further divided by the Company into the base volumes for each Priority of Service in Categories 2, 4, 5, 6 and 7. For the purpose of distributing base period volumes into the appropriate curtailment priority categories, each affected commercial and industrial customer shall furnish such historic consumption and equipment data as the Company may require.

Base period volumes shall be adjusted (1) to recognize abnormalities in plant operations during the base period as well as deletions or approved installations of equipment during or subsequent to the base period, (2) to include volumes of gas equivalent to volumes conserved during the base period when the customer converted gas burning equipment to alternate fuel in anticipation of future curtailment and (3) to include volumes of gas consumed by equipment approved for installation prior to January 1, 1971 for industrial customers and prior to October 1, 1974 for commercial customers.

The Company reserves the right to annually review the base period volumes and to adjust such base period volumes upward or downward based upon the customer's actual consumption of sales service and/or contractually specified needs for firm service provided, however, that upward adjustment of a customer's base period volumes may be made only in time periods when Equitable is approving gas sales to new customers or additional gas sales to existing customers.

Where the Company has entered into a contract specifying an annual volume of firm gas to be delivered or made available, and that volume is less than the imputed base period volume, the annual contractual volume shall be deemed to be the annual base period volume.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.4 Gas Shortage, Curtailment

Base period volumes shall be used as the basis for determining each customer's authorized entitlement in the event of curtailment. Authorized entitlement shall be determined by multiplying the customer's base period volume for the priority to be curtailed by the ratio of the total gas available for that priority category to the total of all base period volumes of all customers in that priority category. When, in the Company's judgment its supply of gas is insufficient to meet the base period volume requirements of all customers on a continuing basis, or when continued delivery of gas to customers would prevent the injection of gas into underground storage reservoirs for the protection of winter supply, deliveries may be curtailed in accordance with the seven priorities of service outlined in Rule 7.1.

Customers with Categories 4, 5 and 6 requirements may be restricted to monthly entitlement volumes when, in the Company's judgment, its supply of gas will be insufficient to meet the requirements of all of its customers on a continuing basis absent such restriction.

Whenever it is necessary to curtail Category 6 requirements, all customers with Categories 4 and 5 requirements shall be limited to the lesser of their base period volumes or their authorized entitlements.

Maximum possible notice of a gas shortage curtailment or of a change in curtailment level shall be given. If such notice is by telephone, then it must be followed by a written notice to the customer, specifying the customer's curtailment percentage and resulting peak day, daily, monthly, seasonal or annual authorized entitlement as the case may be.

The Company may curtail or discontinue gas service in accordance with this rule without thereby incurring any liability for any loss, injury or expense that may be sustained by the customer.

7.5 Penalty Provisions for Excess Takes

Provisions of these or any other penalty sections do not serve to reduce any charge, assessment, or penalties otherwise payable or applicable under provisions of any effective rate schedule or contract

At the end of each billing month, a customer having a peak day of 300 Mcf per day or more in its base period, who has exceeded the authorized monthly entitlement for the first time during each curtailment period, shall receive written notice advising the customer of the penalty provisions of this Rule. Such written notice will also advise the customer to reduce usage in subsequent months so that the sum of all actual monthly consumptions will not exceed the maximum seasonal volume.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.5 Penalty Provisions for Excess Takes (Continued)

Should a customer exceed its monthly seasonal volume for the winter or summer period, that customer shall pay a penalty computed according to the following schedule:

Winter Period

If, at the end of the five month period ending with the March billing period, a customer has exceeded the sum of its monthly authorized entitlements for such a period, that customer shall pay on demand a penalty according to the following schedule:

<u>Actual Usage as Percentage of Total Monthly Authorized Entitlement</u>	<u>Penalty for Excess Takes</u>
Greater than 103% but not in excess of 110%.	\$10/Mcf
Greater than 110% but not in excess of 125%.	\$20/Mcf
Greater than 125%.	\$50/Mcf

Summer Period

If, at the end of the seven month period ending with the October billing month, a customer has exceeded the sum of its monthly authorized entitlements for such period, that customer shall pay on demand a penalty according to the following schedule:

<u>Actual Usage as Percentage of Total Monthly Authorized Entitlement</u>	<u>Penalty for Excess Takes</u>
Greater than 103% but not in excess of 110%	\$10/Mcf
Greater than 110% but not in excess of 125%	\$20/Mcf
Greater than 125%	\$30/Mcf

There shall be excluded from the volumes subject to penalty under this provision, volumes for which the buyer has previously been penalized pursuant to over-runs of emergency curtailment. (Rule 7.8)

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.6 Availability of Excess Gas

If in the Company's judgment, sufficient gas supply is available to permit deliveries in addition to the monthly authorized entitlement in any month, the Company will provide all buyers with as much advance notice as possible of the amount of such additional gas anticipated to be available. Such gas shall be apportioned by the Company to all customers of the highest priority being curtailed on the basis of the total of the base period volumes for all buyers in that priority for that month.

To the extent that a customer has exceeded the sum of its authorized entitlements for any period, penalties shall not be assessed for any excess volumes authorized pursuant to the provisions of this section.

7.7 Disposition of Penalties

As of December 31 of each year, the Company shall subtract the total of all over-run penalties paid that year to the Company's suppliers from penalties collected that year from customers. The Company will then distribute among its curtailed customers who did not incur over-runs, all penalties collected in excess of those paid by the Company to its suppliers.

To determine the amount of reimbursement due a customer, the total amount to be redistributed shall be divided by the total volume of sales during the twelve month period to all customers eligible for reimbursement. This quotient shall represent the factor, which when multiplied by an eligible customer's total purchase volume during the twelve month period will equal the amount to be credited to that customer. However, no reimbursement shall be made to customers who have terminated service during the year.

The Company will specify a reasonable minimum for the amount of penalties that will be distributed, below which excess penalties shall be retained until the distributable amount is accumulated. The Company will make periodic reports to the Commission containing itemized statements, status of penalty accounts and the extent and nature of disbursements from such accounts made during that period.

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

7.8 Emergency Curtailment

When the Company is unable to fulfill the daily requirements of all its firm service customers because of reasons unrelated to long range supplies, the Company may require each large commercial and industrial customer to reduce its consumption of gas. In the event further reductions to system demand are required, the Company may require other commercial and industrial customers to reduce their consumption. The reduction required shall be determined by the Company without regard to priorities of use; however, the authorized volume shall not be lower than the minimum volume necessary for the prevention of damage to plant equipment.

The Company shall specify in the notice of the emergency curtailment, the authorized consumption for a specified period or until further notice. An emergency curtailment may be made after oral notice to the customer, effective when so given, but such oral notice must be confirmed in writing within 48 hours. The Commission is to be notified immediately of the declaration of an emergency situation.

If a customer exceeds its authorized consumption during a period of emergency curtailment, then the customer shall pay a penalty according to the following schedule:

<u>Actual Usage as a Percentage of Emergency Authorized Consumption Takes</u>	<u>Penalty for Excess</u>
Greater than 103% but not in excess of 110%	\$10/Mcf
Greater than 110%	\$25/Mcf

8. LIABILITY

8.1 Failure of Supply

The Company does not guarantee uninterrupted gas service and shall not be liable for damages due to variations in or interruptions of service.

8.2 Disclaimer of Warranty; Limitation of Liability

The Company makes NO WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, express or implied, by operation of law or otherwise. The liability of Company arising out of failure to comply with a customer's direction to install, restore or terminate service, or mistakes, omissions, delays or errors or defects in the delivery of gas,

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (CONTINUED)

8.2 Disclaimer of Warranty; Limitation of Liability (Continued)

for damage or injury arising from the presence or use of gas after it passes from the Company's facilities is limited to when such damage or injury occurs as a result of the company's willful misconduct, reckless acts or gross negligence. In no event will Company be liable for incidental, indirect, special or consequential damages, including but not limited to loss of use or loss of profit. These limitations shall apply whether the claim is pleaded in contract or in tort, including negligence and strict liability in tort.

8.3 Waste, Leaks Excessive Pressure, etc., Notice to Company

The customer shall use all due care to prevent waste of gas and the responsibility of detection of defects or leaks between the curb and point of consumption of gas is upon the customer; and in case of failure or deficiency of gas, irregular supply, leakage, excessive pressure and other developments incident to handling gas under pressure, the customer agrees to give immediate notice thereof to the Company and customer's failure to do so, should loss follow, shall be conclusive evidence of negligence on the part of the customer.

9.SERVICE FROM FIELD LINE

9.1 Company May Discontinue Service

It is understood and agreed that in case the line from which the Company supplies gas is a field line, the same may not be a permanent one, and the Company may, at its own discretion, cease to furnish gas, either temporarily or permanently, and change, repair or remove its pipe line, or change the use of it, and either party may cancel service on ten days' written notice, without prejudice to the right of the Company to continue its supply to other customers.

9.2 Company Not Liable for Damage

The Company shall not be liable for any deficiency in the supply caused by the use of pumping stations, breakage of lines, or other causes, or for any claim for damage on account of any matters set forth in this rule.

9.3 At Field Pressure

Gas from field lines shall be furnished by the Company at the point of connection between the customer's service line and the Company's main, and shall be allowed to flow into the customer's service line at the pressure in the main of the Company, which pressure, it is understood, is not governed by regulations but varies from time to time.

RULES AND REGULATIONS - (Continued)

9.4 Customer to Furnish Regulator

The customer shall furnish a regulator or regulators approved by the Company and assume the duty of regulating the flow and pressure on the customer's own service line and house lines by the necessary labor, care and supervision of the same, so that the customer may safely conduct gas over the customer's premises and use it at a pressure not exceeding eight ounces per square inch.

9.5 Customer Assumes Risk

The customer assumes all risks from variation in pressure, from defects in pipe, connections and appliances, from leakage of gas, from the sticking of valves and regulators, and from all causes incident to the use of gas.

10. AGREEMENTS INCONSISTENT HERewith

10.1 Agreements

No agent or employee of the Company has authority to make any promise, agreement or representation inconsistent with these Rules and Regulations, and no such promise, agreement or representation shall bind the Company unless in writing signed by an executive officer of the Company.

11. RULES APPLICABLE TO DELIVERY AND POOLING SERVICES

11.1 Sign-Up Procedures

A Pool Administrator must notify the Company, either in written, telephonic, or electronic form, in order to initiate delivery service on behalf of a prospective delivery service customer. The notice shall include the customer's name and address and account number. (C)

Pool Administrators shall obtain the customer's consent in a verifiable form before submitting notice to the Company. If a customer is applying directly to the Company for delivery service, a signed request is required. The Company agrees to respond in-hand and in writing to the Pool Administrator within 10 working days of receipt of all notices. Service will either be granted or denied. If service is granted by the Company, the Pool Administrator will begin flowing gas for its new customers on the first day of the following calendar month. If the Company denies service under the requested rate schedule, the Company shall provide a detailed explanation supporting its decision. The Pool Administrator and the Company agree to work together to resolve discrepancies or mismatches in the notice process within a 30 day period.

(C) Indicates Change

ISSUED: August 15, 2000

EFFECTIVE: October 1, 2000

J. T. EGLER
PRESIDENT

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (Continued)

Each Pool Administrator will be obligated to keep on file written evidence of each customer's enrollment with that Pool Administrator, which evidence shall be available for Company review at any time, upon 24 hours' notice.

The Company will provide to a Pool Administrator a confirmed list of added and deleted customers in its Pool by the 15th of the month prior to each service month via an electronic media. At the same time, the Company agrees, for existing customers, to provide the last fourteen (14) months of consumption information or, for new Company customers, estimated volumes. Further, the Company will provide its capacity assignment levels, to each Pool Administrator as defined in Rate FPS at the same time.

11.2 Service Agreement

Service agreements for delivery services are not required unless the customer consumes more than 5,000 Mcf per year or has negotiated a delivery service rate less than the maximum rate.

When a service agreement is required, an agreement for a minimum of one year must be executed by each applicant as a condition to receiving delivery service unless the Company agrees to a shorter term. The Service Agreement, when required, shall include but not be limited to: 1) the point(s) at which the Company will receive customer's gas; 2) the point(s) at which the Company will deliver customer's gas to customer's facilities; 3) pressure, maximum and minimum daily volumes, and annual delivery service volumes. Delivery of gas will not begin until a Service Agreement is fully executed.

11.3 Natural Gas Supply Shortage

In the event of a natural gas supply shortage which threatens Priority 1 Service, the delivery service customer agrees to sell its natural gas supply to the Company at the Company's weighted average cost of gas. If the delivery service customer is a Priority 1 customer, this section will apply only in the event of and to the same extent as curtailment of service to all Priority 1 customers impacted by the gas supply shortage. The customer will be required to furnish a copy of the customer's supply contract or other evidence of price to the Company upon request.

RULES AND REGULATIONS - (Continued)

11.4 Shrinkage

The Company's retention allowance for delivery service shrinkage is 6.0 percent of the total volume delivered into its system on behalf of commercial and industrial customers and 8.0 percent of the total volume delivered into its system on behalf of all other customers. The Company reserves the right to discount shrinkage at the Company's discretion. (C)

In addition to the shrinkage rate listed above the Company reserves the right to retain a portion of all Apollo District transportation volumes as compressor fuel. The portion will be established in each customer contract based upon the character of the actual service to be provided by the Company, but will not be greater than 3.0%

11.5 Quality of Gas

Gas of suitable quality must be provided by the customer at receipt point(s) designated in the Service Agreement.

11.6 Obligation To Serve

Delivery service customers who hold assigned capacity pursuant to Rate FPS sufficient to meet their firm requirements may return to sales service and the Company will accept back the underlying capacity. The Company shall treat delivery service customers who do not hold assigned capacity sufficient to meet their firm requirements and who wish to return to retail service in the same manner in which it would treat similarly situated customers who apply for retail service for the first time, except that, if the customers are permitted to return to firm service, then the Company shall accept back any capacity previously assigned to the customers. Failure of a customer to pay a Pool Administrator's bill is not a basis for termination of a customer by the Company or for denying the customer's return to retail sales service. Where the Company provides a consolidated bill, partial payment will be credited first to the Company's portion of the bill because the Company retains the obligation to serve.

11.7 Company Agency

If requested by the customer, and agreed to by the Company, the Company will act as agent for the customer in securing storage services and transportation capacity on transmission pipelines to transport customer's gas to the pipeline delivery points on the Company's system. This service shall be administered by the Company subject to the same terms, conditions and rates placed upon other pool operators operating under Equitable's tariff. The Company shall not be responsible for storage and transportation charges incurred on behalf of the customer, nor for the performance, non-performance or continued availability of any pipeline transportation service. The charges for this service shall be determined by negotiation between the Company and the customer.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

11.8 Verification of Gas Delivered

The customer is responsible for providing or causing to be provided to the Company any and all information requested by the Company in order to verify the volumes of gas delivered into the Company's system on behalf of the customer.

11.9 Additional or Updated Facilities

The customer will reimburse the Company for the addition, alteration, and installation of facilities and/or equipment deemed necessary by the Company to administer and provide service to the customer. The customer will pay the cost of maintaining Company facilities devoted solely to serving the customer.

11.10 Commingled Gas

The Company reserves the right to commingle gas of the customer with that of other suppliers and customers.

11.11 Additional Charges

The customer's agent or, where applicable, a GDS customer, shall be liable for any additional charges which arise out of the provision of delivery service. Any charge, penalty or obligation imposed by a pipeline transporter or supplier as a result of the monthly or daily balancing of the customer's deliveries and consumption shall be paid by the customer's agent or where applicable the GDS customer in addition to the applicable charges set forth elsewhere in this Tariff and under the applicable delivery service rate schedule.

(C)

11.12 Estimated Consumption

The Company reserves the right to estimate consumption for delivery service customers. Please see Rules 2.3 and 3.2 in the Rules and Regulations of this tariff.

11.13 Operational Flow Order (OFO)

The customer's agent or, where applicable, GDS customers are subject to the Company's issuance of OFOs. In order to address operational reliability or, in the case of GDS, to prevent undue cost shifting the Company will have the authority to direct a customer, or where the customer is part of an aggregation pool, the customer's Pool Administrator, to adjust daily scheduled volumes to a specified level or to deliver gas to specified receipt point(s) into the Company's distribution system or to receipt points prescribed by upstream pipelines. Generally, during peak design day conditions, the specified

(C) Indicates Change

EQUITABLE GAS COMPANY

RULES AND REGULATIONS - (Continued)

level will be equal to the Maximum Daily Quantity (MDQ) as defined in 11.17. Should conditions be greater or less than peak design day conditions, the specified level of the OFO may be greater or less than the MDQ. Required deliveries to specified receipt points will not exceed: in the case of a FDS customer, the customer's primary delivery capacity to that receipt point; in the case of a GDS or DDS customer, the customer's MDQ for that receipt point as set forth in the customer's service agreement. Action or inaction by the Company shall be reviewable in the Company's Section 1307(f) proceedings.

When a difference exists between the daily OFO volume and actual daily scheduled deliveries to the Company or between the OFO volume to a specified receipt point and the actual deliveries to that receipt point, the following charges will be assessed:

- 1) Ten dollars per Mcf on the difference; and
- 2) A pro-rata share of any other charges incurred by the Company as a result of the customer's noncompliance with the OFO.

In addition, where the daily OFO volume exceeds the actual daily scheduled deliveries to the Company, the difference will be Cashed-out at 150% of the sum of the highest price gas purchased by the Company, on the day the shortfall occurs, plus the applicable transportation costs, including retainage, to transport the gas from the supply area to the Company's city gate and the applicable Gross Receipts Tax.

If a customer or its agent fails to comply with an OFO the Company may suspend, for one year, the party responsible for the non-compliance. The degree of harm caused by such non-compliance and any efforts undertaken in attempting to comply shall be factors considered in any suspension. In the event of a proposed suspension, the Company will provide the party notice of such action, advising the party of the opportunity to meet with a Company representative who shall have authority to recommend the canceling of such suspension. The Company's actions shall not be unduly discriminatory and shall be subject to Commission review pursuant to the complaint procedure of the Public Utility Code, including an opportunity to obtain a stay of such suspension pending final resolution by the Commission. Suspension of a customer shall mean the customer must return to an applicable sales service within this tariff. Suspension of an agent shall mean the agent's pool(s) will be dismantled. In that case, all customers included in the suspended agent's pool(s) must choose one of the following options: return to an applicable sales service under this tariff or join another pool that is not affiliated with the suspended agent.

RULES AND REGULATIONS - (Continued)

11.14 Finance Charge

If payment of a monthly bill for regulated services for commercial and industrial customers has not been received within fifteen days from the date of mailing or twenty days in the case of a bill for residential service, a Finance Charge of 1.5 percent will be added to the unpaid balance each month until the entire bill is paid.

11.15

Reserved for future use.

(C)

11.16 Liability

Subject to Rule 8.2 of this tariff, the Company shall not be liable for any loss or injury, including but not limited to loss of gas or interruption of service, arising from or out of the Company's delivery services unless such loss or injury is a direct result of the Company's willful misconduct, reckless acts or gross negligence. The Customer's Agent/Pool Administrator, or, where applicable, a GDS customer shall indemnify Company from and against any and all losses and damages of every kind and character which customer or agent may sustain or be liable for, and will hold Company harmless from any and all damages, claims, suits, actions or proceedings, either threatened or initiated, as the result of issuance of an OFO, except for losses, damages or expenses caused solely by Company's willful misconduct, reckless acts or gross negligence.

11.17 Maximum Daily Quantity

All delivery service customers will be assigned, by the Company, a Maximum Daily Quantity (MDQ). The MDQ will be equal to the customer's estimated usage on a design day. Unless specified by the Company, a customer may not nominate gas above the MDQ.

11.18 Customers Switching Suppliers

Customers may switch gas suppliers upon filing written notice to the Company 25 working days prior to the start of the customer's next service month.

The Company will refer all customers who orally contact the Company to switch natural gas suppliers to the selected natural gas supplier in order to initiate the change.

Once a customer is buying gas from a Pool Administrator, the Company agrees to contact the customer's existing Pool Administrator, if a notice to switch to another Pool is received on behalf of a customer and consent is verified with the customer in a manner consistent with the Commission's currently effective guidelines regarding Customer Consent to a Change of Natural Gas Supplier.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

11.19 Commercial and Industrial Customers

Large Commercial and Large Industrial Customers are customers who the Company estimates will use more than 1,000 Mcf of gas annually through a single meter in a 12 month period.

Small Commercial and Small Industrial Customers are all other commercial and industrial customers who qualify for delivery service.

11.20 Creditworthiness

(C)

In order to commence pooling service or continue pooling service on the Company's system, the Company may require a Pool Administrator to meet the following creditworthiness criteria and provide one of the following credit enhancements chosen by the Company. The Company will apply creditworthiness criteria and credit enhancements to all Pool Administrators on a non-discriminatory basis.

Creditworthiness Criteria:

(a) At the Company's request, a Pool Administrator shall provide current audited financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss the Pool Administrator's financial condition, a list of all corporate affiliates, parent companies and subsidiaries, and any available credit reports. The Company shall apply consistent analytical criteria to determine if a Pool Administrator's overall financial condition meets internal credit risk parameters.

(b) A Pool Administrator shall provide a bank reference and at least two trade references. The results of the reference checks and any credit reports submitted in (a) must show that a Pool Administrator's obligations are being paid on a timely basis.

(c) A Pool Administrator must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation under state laws. An exception can be made for a Pool Administrator who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, but only as adequate assurances that the Company's billing under the Agreement will be paid promptly as a cost of administration under the federal court's jurisdiction.

(C) Indicates Change

RULES AND REGULATIONS - (Continued)

(d) If a Pool Administrator initiates or becomes a party to any of the events or actions described in (c), or if a Pool Administrator's credit rating is downgraded below B+, Pool Administrator must provide written notification to the Company within two working days of any such initiated or imposed action.

(e) If a Pool Administrator has a relationship with the Company, then the Pool Administrator: (i) must have paid its account in the past according to the terms of the service agreement; and (ii) must have no delinquent balances outstanding for services rendered by the Company.

Credit Enhancements:

(C)

- (i) A security deposit equal to the aggregated pool Maximum Daily Quantity times \$4.00 per Dth times 60 days.
- (ii) A payment in advance equal to the amount calculated in (i).
- (iii) An irrevocable letter of credit drawn upon a bank acceptable to the Company.

11.21 Acceptable Business Practices

In addition to the creditworthiness criteria Pool Administrators must also adhere to the following business practices.

(a) The bills rendered by the Pool Administrator will be clear and in plain language and shall meet the billing information requirements of Chapter 56 of the Commission's regulations. Bills rendered by a Pool Administrator shall contain a statement directing the ratepayer to "register any question or complaint about the bill prior to the due date", as directed by Commission regulations and shall contain the Company's and the Pool Administrator's telephone numbers where the customer may initiate an inquiry or complaint. Bills must also include the phone number of the Commission's customer hot line.

(b) Pool Administrators shall provide customers with minimum payment periods required by the Commission's regulations; i.e. residential customers shall have 20 days to pay and commercial customers shall have 15 days. The Pool Administrator shall notify the customer with adequate notice of the consequences of failure to pay.

(c) Pool Administrators must establish and use customer complaint procedures and respond to complaints in a timely fashion.

RULES AND REGULATIONS - (Continued)

11.21 Acceptable Business Practices (Cont)

(C)

(d) If a Pool Administrator determines to terminate gas supply service to any customer, the Pool Administrator shall give 25 working days notice of its intention in this regard to the Company and the customer. If the customer is a Priority 1 customer, the Pool Administrator will relinquish any capacity assigned to the Pool Administrator on the customer's behalf.

If the Pool Administrator proposes to terminate a Priority 1 customer during the heating season (December 1 through March 31), and the capacity assigned is insufficient to meet the customer's requirements, then the Pool Administrator may be required to serve the customer until the end of the heating season.

(e) Pool administrators will follow the Commission's Customer Information and Disclosure Guidelines for requirements related to NGS disclosure of the terms of service, marketing, advertising and sales practices, and privacy of customer information.

(f) Pool administrators will follow the Commission's standards of credit determination, deposits, initiation and disconnection of service in accordance with the Commission's currently effective Guidelines for Maintaining Customer Service.

11.22 BTU Conversion Factor

For the purposes of determining monthly and daily imbalances of a delivery service pool, the Company will use the BTU conversion factor utilized in the Company's most recent Section 1307(f) proceeding.

11.23 Consumption Information

The Company agrees to provide individual customer consumption data, including actual or estimated meter readings, in a timely manner, but no later than the date the Company's bill is rendered for that customer, if applicable. The consumption data shall be transmitted to the Pool Administrator in an electronic form via Internet or modem.

11.24 Dispute Resolution

The Company will work in good faith to resolve disputes with Pool Administrators within 90 days. Disputes will be resolved according to Commission procedures.

11.25 Standards of Conduct

(C)

Equitable Gas Company and all Natural Gas Suppliers operating on its system will comply with the following requirements.

1) Equitable shall apply its tariffs in a nondiscriminatory manner to its affiliated natural gas supplier and any nonaffiliated natural gas supplier.

(C) Indicates Change

RULES AND REGULATIONS - (Continued)

11.25 Standards of Conduct (continued)

2) Equitable shall not apply a tariff provision in any manner that would give its affiliated natural gas supplier an unreasonable preference over other natural gas suppliers with regard to matters such as scheduling, balancing, transportation, storage, curtailment, capacity release and assignment, or non-delivery, and all other services provided to its affiliated natural gas supplier.

3) Mandatory tariff provisions shall not be waived by Equitable for any natural gas suppliers absent prior approval of the Commission.

4) If a tariff provision is not mandatory or provides for waivers, Equitable shall grant the waivers without preference to its affiliated natural gas supplier or non-affiliated natural gas supplier.

5) Equitable shall maintain a chronological log of tariff provisions for which it has granted waivers. Entries shall include the name of the party receiving the waiver, the date and time of the request, the specific tariff provision waived and the reason for the waiver. The chronological log shall be open for public inspection during normal business hours.

6) Equitable shall process requests for distribution services promptly and in a nondiscriminatory fashion with respect to other requests received in the same or a similar period. Equitable shall maintain a chronological log showing the processing of requests for transportation services. The chronological log shall be open for public inspection during normal business hours.

7) If Equitable provides a distribution service discount, fee waiver or rebate to its favored customers, or to the favored customers of its affiliated natural gas supplier, Equitable shall offer the same distribution service discount, fee waiver or rebate to other similarly situated customers. Offers shall not be tied to any unrelated service, incentive or offer on behalf of either Equitable or its affiliated natural gas supplier. A chronological log shall be maintained showing the date, party, time and rationale for the action. The chronological log shall be open for public inspection during normal business hours.

8) Subject to customer privacy or confidentiality constraints, Equitable shall not disclose, directly or indirectly, any customer proprietary information to its affiliated natural gas supplier unless authorized by the customer. To the extent that Equitable does disclose customer information without customer authorization, it shall contemporaneously provide this same information to other similarly situated natural gas suppliers in a similar fashion so as not to selectively disclose, delay disclosure, or give itself or its affiliated natural gas supplier any advantage related to the disclosure.

11.25 Standards of Conduct (continued)

A chronological log shall be maintained showing the date, time and rationale for the disclosure. The chronological log shall be open for public inspection during normal business hours.

9) Equitable shall justly and reasonably allocate to its affiliated natural gas supplier the costs or expenses for general administration or support services provided to its affiliated natural gas supplier.

10) Equitable shall not condition or tie the provision of any product, service or price agreement by Equitable (including release of interstate pipeline capacity) to the provision of any product or service by its affiliated natural gas supplier.

11) Equitable shall not give its affiliated natural gas supplier preference over a non-affiliated natural gas supplier in the provision of goods and services including processing requests for information, complaints and responses to service interruptions. Natural gas distribution companies shall provide comparable treatment in its provision of such goods and services without regard to a customer's chosen natural gas supplier.

12) Equitable and its affiliated natural gas supplier shall maintain separate books and records. Further, transactions between Equitable and its affiliated natural gas supplier shall not involve cross-subsidies. Any shared facilities shall be fully and transparently allocated between the Equitable function and the affiliated natural gas supplier function. Equitable accounts and records shall be maintained such that the costs incurred on behalf of an affiliated natural gas supplier may be clearly identified.

13) Equitable employees who have responsibility for operating the distribution system, including natural gas delivery or billing and metering, shall not be shared with an affiliated natural gas supplier, and their offices shall be physically separated from the office(s) used by those working for the affiliated natural gas supplier. Such Equitable employees may transfer to an affiliated natural gas supplier provided such transfer is not used as a means to circumvent these interim standards of conduct.

14) Neither Equitable nor its affiliated natural gas supplier shall directly or by implication, falsely and unfairly represent to any customer, natural gas supplier or third party that an advantage may accrue to any party through use of Equitable's affiliates or subsidiary, such as:

- That the Commission regulated services provided by Equitable are of a superior quality when services are purchased from its affiliated natural gas supplier; or
- That the merchant services (for natural gas) are being provided by Equitable when they are in fact being provided by an affiliated natural gas supplier;

11.25 Standards of Conduct (continued)

- That the natural gas purchased from a non-affiliated natural gas supplier may not be reliably delivered;
- That natural gas must be purchased from an affiliated natural gas supplier to receive Commission regulated services.

15) When an affiliated natural gas supplier markets or communicates to the public using the Equitable name or logo, it shall include a legible disclaimer that states:

- That the affiliated natural gas supplier is not the same company as Equitable;
- That the prices of the affiliated natural gas supplier are not regulated by the Pa PUC; and
- That a customer does not have to buy natural gas or other products from the affiliated natural gas supplier in order to receive the same quality service from Equitable.

When an affiliated natural gas supplier advertises or communicates verbally through radio or television to the public using Equitable's name or logo, the affiliated natural gas supplier shall include at the conclusion of any such communication a legible disclaimer that includes all of the disclaimers listed in this paragraph.

16) Except in competitive bid situations Equitable shall not (a) jointly market or jointly package its Commission regulated services with the services of an affiliated natural gas supplier or (b) offer or provide to its affiliated natural gas supplier products or services, including bill inserts in its bills promoting an affiliated natural gas supplier's services or a link from Equitable's web-site, unless Equitable offers or provides the products or service to all non-affiliated natural gas supplier on the same terms and conditions.

17) Equitable shall not offer or sell natural gas commodity or capacity to its affiliated natural gas supplier without simultaneously posting the offering electronically on a source generally available to the market or otherwise making a sufficient offer to the market. Equitable shall maintain a chronological log of these public disseminations. The chronological log shall be open for public inspection during normal business hours.

EQUITABLE GAS COMPANY

11.25 Standards of Conduct (continued)

18) Equitable shall keep a chronological log of any complaints, excepting paragraph (9), regarding discriminatory treatment of natural gas suppliers. This chronological log shall include the date and nature of the complaint and the resolution of the complaint. The chronological log shall be open for inspection during normal business hours.

19) **Dispute Resolution Procedures:** The following procedures are established for dealing with any alleged violation of these Standards of Conduct, with the exception of paragraph 9 which is within the exclusive purview of the Commission. The Commission may grant any exception to these requirements if warranted by the fact and circumstances:

- In any dispute between a natural gas supplier, and/or an affiliated natural gas supplier, and a non-affiliated natural gas supplier alleging a violation of any of these Standards of Conduct provisions, the natural gas supplier must provide Equitable and/or affiliated natural gas supplier, as applicable, a written Notice of Dispute that includes the names of the Parties and Customer(s), if any, involved and a brief description of the matters in dispute.
- Within five (5) days of Equitable's and/or affiliated natural gas supplier's receipt of a Notice of Dispute, a designated senior representative of each of the Parties shall attempt to resolve the dispute on an informal basis.
- In the event the designated representatives are unable to resolve the dispute by mutual agreement within thirty (30) days of said referral, the dispute shall be referred for mediation through the Commission's Office of Administrative Law Judge. A party may request mediation prior to that time if it appears that informal resolution is not productive.
- If mediation is not successful, then the matter shall be converted to a formal proceeding before a Commission Administrative Law Judge.
- Any Party may file a complaint concerning the dispute with the Commission under relevant provisions of the Public Utility Code.
- Parties alleging violations of these standards may pursue their allegations through the Commission's established complaint procedures. A complainant bears the burden of proof consistent with 66 Pa. C.S. §332 (relating to Public Utility Code) in regard to the allegations and may impose penalties for such violations pursuant to 66 Pa.C.S. § 3301.

EQUITABLE GAS COMPANY

11.25 Standards of Conduct (continued)

(20) Equitable and its affiliated natural gas supplier shall formally adopt and implement these provisions as company policy and shall take appropriate steps to train and instruct its employees in their content and application.

11.26 Privacy of Customer Information (C)

Neither Equitable nor any Pool Administrator may release private customer information to a third party if the customer requests to restrict the release of private information.

Thirty days prior to the release of customer information, customer will be notified and given the opportunity to restrict the release of customer information. Customers may restrict the release of customer information by returning a signed form, orally or electronically.

A customer may restrict only the customer's historical billing data or may restrict the release of all private customer information including name, billing address, service address, rate class, rate sub class, account number and historical billing data.

Customer telephone numbers may not be released to third parties under any circumstances.

11.27 Partial Payments (C)

If the Company is billing natural gas supply service on behalf of a third party natural gas supplier, the Company will apply partial payments in accordance with the Commission's currently effective Guidelines for Maintaining Customer Service.

11.28 Customer Complaints with Natural Gas Suppliers (C)

Customer complaints related to any services provided by a Third Party Natural Gas Supplier will be referred to the Natural Gas Supplier for resolution. The Company will track each complaint and will refer customers not satisfied by the actions taken or lack of actions taken by the Natural Gas Supplier to the Bureau of Consumer Services.

(C) Indicates Change

RATE RS - RESIDENTIAL SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available at one location for the total gas requirements of any residential customer account.

RATE

The monthly charge for each customer served at each location under this rate schedule shall be the sum of the following:

Monthly Service Charge:	\$11.65 per meter	
Natural Gas Supply Charge:	\$11.99 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.683 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.703 per Mcf

LATE PAYMENT CHARGE

If payment of bill has not been received within twenty days from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

(I) Indicates Increase.

ISSUED: March 31, 2008

EFFECTIVE: April 1, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

RATE GSS - GENERAL SERVICE SMALL

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of a commercial or industrial customer who the Company estimates will use 1,000 MCF or less in a twelve month period at that service location.

RATE

The monthly charge for each customer at each location served under this rate schedule will be the following:

Monthly Service Charge:

Annual Throughput < 500	\$17.00 per meter
Annual Throughput 500 - 1,000	\$28.00 per meter

Natural Gas Supply Charge:	\$11.99 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.717 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.737 per Mcf

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

(I) Indicates Increase.

ISSUED: March 31, 2008

EFFECTIVE: April 1, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

RATE GSL - GENERAL SERVICE LARGE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of an industrial or commercial customer who the Company estimates will use more than 1,000 Mcf in a twelve month period at that service location.

RATE**Monthly Service Charge:**

Annual Throughput 1,001 - 4,999	\$ 75.00 per meter
Annual Throughput 5,000 - 25,000	\$150.00 per meter
Annual Throughput > 25,000	\$800.00 per meter

Natural Gas Supply Charge:	\$11.99 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.52 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.54 per Mcf

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

(I) Indicates Increase.

ISSUED: March 31, 2008

EFFECTIVE: April 1, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

EQUITABLE GAS COMPANY

RATE CSF - CONTRACT SERVICE FIRM

APPLICABILITY

This rate schedule shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available to any entity which meets the definition of commercial or industrial customer as defined by this tariff, and enters into a Service Agreement for gas service, which service, in the Company's sole discretion, would not otherwise be requested by the customer, but for the availability of service under this schedule.

The Company's use of Rate CSF will be limited to retaining load that otherwise could be lost to by-pass or to the customer's utilization of non-natural-gas, alternative fuel or to retaining a customer's contribution to upstream capacity costs that otherwise could be lost with the customer's switch to an interruptible service. Rate CSF service will be offered to current or prospective transportation customers only where the projected net margin from such service exceeds the customer's most recent transportation rate or the highest transportation rate the customer has offered to pay.

TERM

At least one year.

FACILITIES

Customer will reimburse the Company for the addition, alteration, and installation of facilities and/or equipment deemed necessary by the Company to administer and provide service to the customer. Customer will pay the cost of maintaining Company facilities devoted solely to serving customer.

SPECIAL PROVISION

Curtailement of service under this Rate CSF shall be in accordance with Paragraph 11 of the Company's Rules and Regulations.

RATE

For service under this schedule, the applicable price will be determined by the Company, may vary from customer to customer and may be modified by the Company from time to time but no more frequently than monthly.

RATE CSF - CONTRACT SERVICE FIRM (CONTINUED)

Constant Price Option: Service under this option will be offered from time to time at times and in amounts determined by the Company at its discretion. The term of service will be at least one year and the Company may require the customer to purchase a minimum volume of gas. The applicable price will be determined by the Company, may vary from customer to customer and will remain constant through the end of the contract term at which time it will be redetermined in accordance with the service agreement between the Company and customer. The price under this option will be no lower than the commodity cost of gas supply as specified below; plus (1) demand charges as specified below, and (2) applicable Gross Receipts Tax.

Extended Price Option: Service under this option will be offered from time to time at times and in amounts determined by the Company at its discretion. The term of service will be no less than one year and no more than three years and the Company may require the customer to purchase a minimum volume of gas. The applicable price will be determined by the Company, may vary from customer to customer and to the extent practicable will be specified in advance for the term of the agreement. The price under this option shall be no lower than the commodity cost of gas supply as specified below; plus (1) demand charges as specified below, and (2) applicable Gross Receipts Tax.

The rate for gas service under this schedule shall include Demand Charges as set forth below under this schedule and the Rider C surcharge shall be included for all volumes as defined under Rider C.

NATURE OF SERVICE

Service under this schedule is firm either for the winter season(November 1 through March 31) or year round depending on the Customer's annual usage and firm service options.

Customers who elect service under Rate CSF shall be governed by the terms contained in the Standby Service provisions of this tariff.

COST OF GAS

The cost of gas applicable to service under this rate schedule shall be equal to the commodity cost of gas supply specifically acquired to provide this service plus an allowance for Company use and unaccounted-for-gas of 3.50%. No gas purchased for sale under this rate schedule shall be sourced from or shared with the Company's system supply nor shall it be included in the Company's purchased gas cost for the purpose of determining over or under collections to be reflected in the Purchased Gas Cost pursuant to Rider A of this Tariff. (C)

(C) Indicates Change.

EQUITABLE GAS COMPANY

RATE CSF - CONTRACT SERVICE FIRM (CONTINUED)

LATE PAYMENT CHARGE

If payment of a bill has not been received within fifteen days (15) from date of mailing, a Late Payment Charge of 5% per month will be added to the unpaid balance each month until the entire bill is paid.

PENALTY CHARGE

For Customers with annual usage through a single meter of 20,000 Mcf or more, service above the Customer's MDFR nominations is interruptible. For Customers with annual usage less than 20,000 Mcf, and who did not nominate Year Round Firm Service, service is interruptible during the summer season.

The Company may interrupt customer's interruptible service upon 24 hours' notice, unless unforeseen conditions affecting the Company's gas system require shorter notice. In the event that service interruption is required and the

Customer fails to comply, the Customer shall pay the Company \$10.00 per Mcf of unauthorized overrun plus any additional costs incurred by the Company as a result of the Customer's failure to comply.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

EQUITABLE GAS COMPANY

RATE CSI - CONTRACT SERVICE INTERRUPTIBLE

APPLICABILITY

This rate schedule shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available to any entity, except as noted below, which meets the definition of commercial or industrial customer as defined by this tariff, and enters into a Service Agreement for gas service, which service, in the Company's sole discretion, would not otherwise be requested by the customer, but for the availability of service under this schedule.

Rate CSI service will be offered to current or prospective transportation customers only where the projected net margin from such service exceeds the customer's most recent transportation rate or the highest transportation rate the customer has offered to pay.

Service under this rate schedule is not available to essential human needs customers (including, but not limited to, master-metered apartment buildings or complexes, residential customers where a number of individual accounts are billed through a single billing account, dormitories, hotels, nursing homes, hospitals, or other locations where persons normally dwell, and sewage plants where natural gas is used) unless the customer has installed operable alternate fuel capability sufficient to meet the customer's essential winter season service requirements.

TERM

At least one year.

FACILITIES

Customer will reimburse the Company for the addition, alteration, and installation of facilities and/or equipment deemed necessary by the Company to administer and provide service to the customer. Customer will pay the cost of maintaining Company facilities devoted solely to serving customer.

RATE

For service under this schedule, the applicable price will be determined by the Company, may vary from customer to customer and may be modified by the Company from time to time, but no more frequently than monthly.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

RATE CSI - CONTRACT SERVICE INTERRUPTIBLE (CONTINUED)

Constant Price Option: Service under this option will be offered from time to time at times and in amounts determined by the Company at its discretion. The term of service will be at least one year and the Company may require the customer to purchase a minimum volume of gas. The applicable price will be determined by the Company, may vary from customer to customer and will remain constant through the end of the contract term at which time it will be redetermined in accordance with the service agreement between the Company and customer. The price under this option will be no lower than the commodity cost of gas supply as specified below; plus applicable Gross Receipts Tax.

Extended Price Option: Service under this option will be offered from time to time at times and in amounts determined by the Company at its discretion. The term of service will be no less than one year and no more than three years and the Company may require the customer to purchase a minimum volume of gas. The applicable price will be determined by the Company, may vary from customer to customer and to the extent practicable will be specified in advance for the term of the agreement. The price under this option shall be no lower than the commodity cost of gas supply as specified below plus applicable Gross Receipts Tax.

The rate for gas service under this schedule will include the Rider C surcharge for all volumes as defined under Rider C.

COST OF GAS

The cost of gas applicable to service under this rate schedule shall be equal to the commodity cost of gas supply specifically acquired to provide this service plus an allowance for Company use and unaccounted-for-gas of 3.50%. No gas purchased for sale under this rate schedule shall be sourced from or shared with the Company's system supply nor shall it be included in the Company's purchased gas cost for the purpose of determining over or under collections to be reflected in the Purchased Gas Cost pursuant to Rider A of this tariff. (C)

(C) Indicates Change.

ISSUED: September 30, 1998

EFFECTIVE: October 1, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

EQUITABLE GAS COMPANY

RATE CSI - CONTRACT SERVICE INTERRUPTIBLE (CONTINUED)

CREDIT TO SECTION 1307(f) PURCHASED GAS COSTS

When upstream capacity included in Section 1307(f) Purchased Gas Costs is used to make Rate CSI sales, Section 1307(f) Purchased Gas Costs will be credited for the value of such upstream capacity. The credit will be based upon the value in the capacity release market of recallable, released firm transportation capacity that is comparable in quality, time, quantity and duration to the capacity used to provide Rate CSI service for the term of the Rate CSI contract. If no such comparable capacity has been posted by others on the electronic bulletin board of the upstream pipeline(s) used to provide Rate CSI service, Equitable shall post a comparable package of capacity for release as a means of determining the value of such capacity; provided, however, the credit for such released capacity shall not be less than \$0.05 per Mcf in December, January and February and \$0.01 per Mcf in all other months.

LATE PAYMENT CHARGE

If payment of a bill has not been received within fifteen days (15) from date of mailing, a Late Payment Charge of 5% per month will be added to the unpaid balance each month until the entire bill is paid.

INTERRUPTION

Service under this schedule is interruptible and will be provided only when in the opinion of the Company sufficient facilities and gas supply are economically available. The Company maintains sole discretion to determine the appropriate allocation of service to customers during periods of interruption.

A High Priority Interruptible Service will be available periodically at the Company's discretion to customers served on this rate schedule and shall provide at a rate that is negotiated between the customer and Company. All amounts collected will be credited to purchased gas costs.

Customers electing High Priority Interruptible Service will not be interrupted until other customers served on this rate schedule are interrupted except under unusual emergency conditions. If interruption of High Priority Interruptible Service takes place, customers paying the lowest rate for this service will generally be interrupted first.

EQUITABLE GAS COMPANY

RATE CSI - CONTRACT SERVICE INTERRUPTIBLE (CONTINUED)

PENALTY CHARGE

Service under this Rate Schedule may be interrupted by the Company upon 24 hours notice, unless unforeseen conditions affecting the Company's gas system require shorter notice. In the event that service interruption is required and the Customer fails to comply, the Customer shall pay the Company \$10.00 per Mcf of unauthorized overrun plus any additional costs incurred by the Company as a result of the Customer's failure to comply.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provisions herein are a part of this rate schedule.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

EQUITABLE GAS COMPANY

RATE GL - GAS LIGHTS

APPLICABILITY

This rate shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for any gas lighting where the gas is not measured by meter.

USAGE

Consumption per light will be assumed at:

Residential	1.8 Mcf/Month
Commercial and Industrial	2.8 Mcf/Month

These volumes will be billed monthly under the customer's otherwise applicable rate schedule.

SPECIAL TERMS AND CONDITIONS

Gas will be supplied only to lamps furnished, erected, and maintained by the customer and equipped with devices satisfactory to the Company. Consumption and billing will be assumed to be continuous until customer notifies Company that gas light(s) has been permanently shut off and Company verifies to its satisfaction that service has been disconnected. Company may require gas lights to be metered except in instances where it is not economically feasible or is otherwise impractical, to be determined solely at the discretion of the Company.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

EQUITABLE GAS COMPANY

This page and Original Page Nos. 52 through 60 are intentionally left blank for future use.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

RATE FDS - FIRM DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Service under this rate schedule is available for resale service and to any essential human needs customer and to any other customer who consumes no more than 5,000 Mcf annually where the customer's full commodity requirements are supplied through a single aggregation pool pursuant to the Company's Firm Pooling Service (FPS).

RATE

The applicable rate for each district shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Residential	\$ 11.65 per meter
Commercial and Industrial:	
Annual Throughput < 500	\$ 17.00 per meter
Annual Throughput 500 - 1,000	\$ 28.00 per meter
Annual Throughput 1,001 - 4,999	\$ 75.00 per meter

(C)
(C)**Delivery Charge:**

Residential Service	\$ 2.523 per Mcf
Small Commercial, Industrial and Resale	\$ 2.557 per Mcf
Large Commercial and Industrial	\$ 2.360 per Mcf

Balancing Charge:

Pursuant to Special Provision (a):	\$ 0.18 per Mcf

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(C) Indicates Change.

RATE FDS - FIRM DELIVERY SERVICE (CONTINUED)

SPECIAL PROVISIONS

(a) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. This charge is collected from all delivery service customers, with the Company retaining the right to waive this charge, in whole or in part, for customers with competitive options.

RULES AND REGULATIONS

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff. Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Transition Cost Surcharge Rider C

Residential:

Universal Service and Energy Conservation Rider D

(C)

(C) Indicates Change

ISSUED: September 29, 2006

EFFECTIVE: October 1, 2006

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

RATE GDS - GENERAL DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Delivery service under this rate schedule is available for resale service and to commercial and industrial customers who do not qualify for or elect service under Rate FDS and whose full commodity requirements are supplied through a single aggregation pool pursuant to the Company General Pooling Service (GPS). A customer who uses more than 5,000 Mcf annually is not required to receive supply through the Company's General Pooling Service

RATE

The applicable rate for each district shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:**Commercial and Industrial:**

Annual Throughput < 500	\$ 17.00 per meter
Annual Throughput 500 - 1,000	\$ 28.00 per meter
Annual Throughput 1,001 - 4,999	\$ 75.00 per meter
Annual Throughput 5,000 - 25,000	\$150.00 per meter
Annual Throughput > 25,000	\$800.00 per meter

Delivery Charge:

Small Commercial, Industrial and Resale	\$ 2.557 per Mcf
Large Commercial and Industrial	\$ 2.360 per Mcf

Balancing Charge:

Pursuant to Special Provision (b)	\$ 0.18 per Mcf	(D)

TERM

The term for service shall be a minimum of one (1) year from the commencement of deliveries of gas supplies for the customer's account.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(D) Indicates Decrease.

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

SPECIAL PROVISIONS

(a) Customers will be allowed to transfer to or from this rate schedule only if: (1) the Company can obtain any increase or decrease in its gas supplies, transportation capacity and storage capacity or any combination thereof required to accommodate such transfer; or (2) the Company, in its sole judgment concludes that no increase or decrease is required.

(b) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. This charge is collected from all delivery service customers, with the Company retaining the right to waive this charge, in whole or in part, for customers with competitive options.

(c) Customers may elect to take an assignment of capacity or purchase Standby Service from the Company.

Monthly Balancing

All delivery service customers served under this rate schedule shall be subject to the following monthly balancing provisions.

(1) A monthly imbalance will exist when (a) a customer's consumption in a month falls short of the gas supply available for the customer's use in a month (monthly supply excess) or (b) a customer consumes more gas than the gas supply available for the customer's use in a month (monthly supply shortfall).

(2) A monthly supply excess equal to, or less than, three and one-half

percent (3.5%) of the customer's consumption for a month shall be carried forward to the following month and added to the gas delivered to the Company for the customer's use for that month to arrive at the total gas supply available to the customer for that month.

(C)

(3) A monthly supply shortfall equal to, or less than, three and one-half percent (3.5%) of the customer's consumption for a month shall be carried forward to the following month and subtracted from the gas delivered to the Company for the customer's use for that month to arrive at the total gas supply available to the customer for that month.

(C)

(C) Indicates Change

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

(4) Any monthly excess or shortfall in a customer's gas supply greater than the amount that can be carried forward to the following month shall be purchased by the Company from the customer (Cash-In) or purchased by the customer from the Company (Cash-Out) at the following prices:

(a) Cash-In Price: The price paid by the Company for a customer's supply excess shall be equal to eighty-five percent (85%) of the sum of the lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the transportation costs, including retainage, to move the gas from the supply areas to the Company. (C)

(b) Cash-Out Price: The price paid by the customer to satisfy its supply shortfall shall be equal to one hundred twenty-five percent (125%) of the sum of the highest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the transportation costs, including retainage, to move the gas from the supply areas to the Company. (C)

(5) All rates set forth in this rate schedule that are billed on a volumetric per Mcf basis may be billed using cycled metered volumes, either actual or estimated. Cash-in and Cash-out prices cover only gas supply costs as defined herein.

Rules and Regulations

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff.

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Transition Cost Surcharge Rider C

(C) Indicates Change.

RATE DDS - DAILY DELIVERY SERVICE

AVAILABILITY

(C)

Delivery service under this rate schedule is available for resale service and to any commercial or industrial customer with annual usage in excess of 5,000 Mcf who:

- (1) has entered into a written contract with the Company for service under this rate schedule for a minimum of 12 months; and
- (2) has the ability to withstand interruption and satisfy periodic interruption tests conducted by the Company; or has installed, operable alternative fuel equipment capable of meeting the customer's peak day requirements; or pays for the cost of, installation of and monthly expenses associated with a Remotely Actuated Valve, which can interrupt gas flow without a site visit by the Company.

CHARACTER OF SERVICE

Service will be provided by the Company based on the Company having available capacity and the customer delivering suitable gas into the Company's distribution system. Gas transported by the Company shall be and remain the property of the customer.

MEASUREMENT OF DELIVERIES

All customers electing service under this rate schedule must pay for and maintain a dedicated telephone line installed to the meter, communication system costs, and all equipment, including installation, deemed necessary by the Company to administer daily balancing by providing all delivery points specified in the contract with real-time electronic gas measurement. The cost to the customer shall be set forth in the service agreement and may be assessed in equal monthly payments over the term of the agreement plus interest equal to the Company's overall rate of return as authorized by the Commission.

(C) Indicates Change

RATE DDS- DAILY DELIVERY SERVICE (CONTINUED)

RATE

The applicable rate shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Commercial and Industrial:

Annual Throughput 5,000 - 25,000	\$150.00 per meter
Annual Throughput > 25,000	\$800.00 per meter

(C)

Delivery Charge:

Resale Service	\$ 2.557 per Mcf
Large Commercial and Industrial	\$ 2.360 per Mcf

Balancing Charge:

Pursuant to Special Provision (a)	\$ 0.18 per Mcf

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Transition Cost Surcharge Rider C

SPECIAL PROVISIONS

(a) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. This charge is collected from all delivery service customers, with the Company retaining the right to waive this charge, in whole or in part, for customers with competitive options.

BALANCING CHARGES

Daily Balancing

A daily imbalance will exist when (a) a customer's consumption in a day falls short of the daily gas supply nominated (daily supply excess), or (b) a customer's consumption in a day exceeds the daily supply nominated (daily supply shortfall).

- (1) All daily supply excess or shortfall greater than 3.5% of the customer's consumption for a day shall be charged a \$0.25 per Mcf penalty.
- (2) A daily supply excess greater than 3.5% will be Cashed-In at 85% of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the excess occurs.

(C) Indicates Change.

RATE DDS- DAILY DELIVERY SERVICE (CONTINUED)

- (3) A daily supply shortfall greater than 3.5% will be Cashed-Out at 125% of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the shortfall occurs, plus the applicable transportation and retainage charges to transport the gas from the supply area to the Company's city gate. (C)
- (4) A daily supply excess less than 3.5% will be considered first gas through the meter on the following day and will be added to gas delivered on that day to determine daily imbalances. (C)
- (5) A daily supply shortfall less than 3.5% will be subtracted from gas delivered the following day to arrive at the amount of gas to be used to determine daily imbalances. (C)

OPERATIONAL MATCHING ORDERS (OMO)

All DDS customers are subject to the Company's issuance of OMOs which will direct the customer to adjust usage to match volumes authorized by the Company. Failure to comply with an OMO will result in the billing of the following charges when the actual daily usage exceeds the daily flowing volume:

- 1) Ten dollars (\$10.00) per Mcf on the difference.
- 2) The difference will be Cashed-Out at 150% of the sum of the highest price gas purchased by the Company, on the day the shortfall occurs, plus the applicable transportation and retainage charges to transport the gas from the supply area to the Company's city gate.
- 3) A pro-rata share of any other charges incurred by the Company as a result of the customer's noncompliance with the OMO.

If a customer fails to comply with an OMO the Company reserves the right to suspend, for one year, the customer's right to subscribe to a delivery service or require the customer to purchase Standby Service.

(C) Indicates Change.

RATE FPS - FIRM POOLING SERVICE

TERMS AND CONDITIONS

1. AVAILABILITY

Service under this rate schedule is available to anyone who aggregates a minimum of 50 customers or 5,000 Mcf annually, who demonstrates to the Company's satisfaction that it has met the creditworthiness and fitness standards defined in the Rules and Regulations of this tariff, and who has entered into a Firm Pooling Service Agreement with the Company.

2. TYPE OF SERVICE

This is a customer aggregation service whereby a creditworthy third party, the Pool Administrator, takes assignment on behalf of a FDS customer of the customer's nomination and balancing responsibilities and, under separate contractual agreement with the Company, aggregates the customer's gas deliveries and consumption with those of other FDS customers for the purposes of calculating imbalances on the Company's system.

3. SERVICE CONDITIONS

3.1 Assignment of Upstream Capacity

The Company will assign the following upstream firm pipeline capacity, excluding no-notice service, to the Pool Administrator in a two-tiered approach: firm transportation on the Company's upstream transportation pipeline, Texas Eastern Transmission Corporation ("TETCo"); firm transportation on Equitrans L.P. ("Equitrans") with primary receipt points at interconnections with TETCo; and storage related firm transportation on Equitrans. Capacity will be assigned on behalf of each customer of the Pool Administrator's FPS Pool based on the Company's determination of peak design day consumption of the customer. The two tiers of capacity assignment are as follows:

(C)

(i) Pools with MDQs less than 1,000 Dth per day

No capacity will be assigned. The firm standby charge will apply to the Pool consumption and be billed to the Pool Administrator. The Pool Administrator will have the option of (1) purchasing and delivering supplies under its own supply contracts, or (2) purchasing gas supplies on an interruptible basis from the Company.

(C) Indicates Change

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

- (ii) Pools with MDQs greater than or equal to 1,000 Dth per day (C)

The Pool Administrator will be assigned firm transportation and firm storage capacity on a pro-rata basis. However, the pool administrator may elect, subject to the Company's approval, assignment on a non-discriminatory basis of other than a pro-rata allocation.

(C) Indicates Change

ISSUED: September 29, 2006

EFFECTIVE: October 1, 2006

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

Capacity assignments will be structured as a release of capacity at the maximum rate on each individual pipeline. The term of any release will commence the first day of customer's service month as determined pursuant to the customer sign-up procedures set forth in Rule 11.1 and will continue for the earlier of the annual review period (April 1), through the termination date of the current pipeline contract, or, in the event of early termination of the Pool Administrator's 12 month service agreement with the customer, through the last day of the calendar month in which the Pool Administrator ceases service to the customer on whose behalf the capacity had been assigned.

Any capacity acquired by Pool Administrator through non-renewal of capacity contracts by the Company must be assignable to Equitable or another pool administrator qualified by the Company to operate under this rate schedule. If the Pool Administrator had used capacity not assigned by the Company then the Pool Administrator agrees to reassign that capacity, including any gas held in storage, to the Company or another pool administrator, which those parties may, at their sole discretion, accept or reject. (C)

Once storage capacity is assigned, the Pool Administrator is responsible for meeting all injection and withdrawal schedules required by the storage operator. If storage capacity is (a) assigned to a Pool Administrator, (b) returned by a Pool Administrator upon cessation of service to a customer, or (c) recalled from a Pool Administrator, with gas in place (i.e., with gas in storage) then the Company shall, as the case may be, either sell to the Pool Administrator gas in place at the Company's weighted average cost of storage gas ("Storage WACOG"), or purchase from the Pool Administrator gas in place at the lesser of the Company's Storage WACOG or at the Company's weighted average cost of gas purchased during the month.

(C) Indicates Change

ISSUED: August 15, 2000

EFFECTIVE: October 1, 2000

J. T. EGLER
PRESIDENT

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

3.2 Monthly Capacity Assignment

Each month, the Company will assign capacity to each qualified Pool Administrator, on behalf of the FDS customers aggregated and signed-up, in accordance with the provisions contained in Rule 11.1 and Section 3.1, above, by the Pool Administrator during the preceding month. The amount of capacity to be assigned will be based on the peak design day consumption of the end use customers served by the Pool Administrator. For a residential customer the capacity assignment level will be 1.16 Mcf per 100 Mcf usage based on historic normalized annual consumption. The Company will evaluate the capacity assignments made to the Pool Administrator on behalf of the FDS customer (30) days prior to April 1st of each year. To the extent that the evaluation so indicates the Company may revise the Pool Administrator's capacity assignment level.

3.3 Adding and Subtracting Customers

A Pool Administrator may add customers monthly provided that a notice is received pursuant to Rule 11.1 at least twenty five (25) working days prior to the start of the service month. The Pool Administrator's service to the customer will start on the first day of the calendar month which follows the month when the notice was received. No cessation of service will be effective unless the Pool Administrator provides the Company at least twenty-five (25) working days written notice thereof.

3.4 Contract Duration

(C)

The Pool Administrator's Firm Pooling Service contract with the Company shall be for a term of service of no less than twelve months. If a Pool Administrator's contract with a customer is for a term other than an annual or multi-annual period, the Pool Administrator will be charged firm standby service and will not be eligible for capacity assignment on behalf of the customer. Notwithstanding any contract duration provision contained in a service agreement between the customer and the Pool Administrator, the Company may process any customer request to return to retail service or to transfer to a pool maintained by another pool administrator, and the Company assumes no liability for such action.

3.5 Load Forecasting

Prior to the start of the month the Company will provide daily Required Nomination Quantity (RNQ) for the forecasted month. A pool's daily (RNQ) will be equal to the total daily forecasted requirements for the customers in that pool. The Company will make available its methodology by which it forecasted RNQ levels for pools in general. The Company will forecast the daily gas requirements of the Pool Administrator's FPS Pool and post those requirements electronically not later than 36 hours prior to the Gas Day. The Company may revise the forecasted daily gas requirements not later than 24 hours prior to the Gas Day.

(C)

(C) Indicates Change

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

3.6 Scheduling of Service

All transportation volumes received for Pool Administrator's account at transportation receipt points must be nominated to the Company in advance. Nominations must distinguish among (1) upstream pipeline firm transportation service assigned to the Pool Administrator and (2) contract storage assigned to the Pool Administrator.

3.7 Daily Gas Deliveries

The Pool Administrator must acquire an adequate supply of natural gas of a quality acceptable to the Company, including allowances for any retention required by upstream pipelines and the Company, and make, or cause to be made, arrangements by which such gas supply can be transported directly to the Company's city-gates. The Pool Administrator is required to deliver its RNQ.

Any difference between the RNQ and the gas delivered and confirmed that day on behalf of the Pool Administrator's account, plus pool-to-pool transfers, shall be Cashed-in or Cashed-out based on the following index and tolerance levels:

Daily Index Price: Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point.

Daily Supply Excess: All volumes delivered in excess of the RNQ (a daily supply excess) will be subject to the following:

- (1) A daily supply excess up to and including 3.5% will be cashed-in at 85% of the Daily Index Price. Cash-in payments will be made to Pool Administrators on a bi-annual basis on April 1 and November 1 of each year provided that the Pool Administrator is in good standing with the Creditworthiness Criteria in Section 11.20. (C)
- (2) A daily supply excess greater than 3.5% will be charged a \$0.25 per Mcf penalty and will be Cashed-in at 85% of the lowest price gas purchased by the Company on the day the excess occurs.

Daily Supply Shortfall: All volumes delivered below the RNQ (a daily supply shortfall) will be subject to the following:

- (1) A daily supply shortfall up to and including 3.5% will be cashed-out at 125% of the Daily Index Price.
- (2) A daily supply shortfall greater than 3.5% will be charged a \$0.25 per Mcf penalty and Cashed-out at 125% of the sum of the highest price gas purchased by the Company, on the day the shortfall occurs, plus the applicable transportation and retainage charges to transport the gas from the supply area to the Company's city-gate.

(C) Indicates Change.

ISSUED: September 30, 2005

EFFECTIVE: October 1, 2005

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

If the Pool Administrator fails to deliver quantities equal to the daily RNQ, the Company reserves the right, at its sole discretion, to recall or otherwise withdraw capacity rights assigned to the Pool Administrator and terminate the Firm Pooling Service contract upon ten (10) days written notice to the Pool Administrator.

All customers receiving gas supply from a suspended Pool Administrator's pool must choose one of the following options: (1) return to an applicable sales service under this Tariff or (2) join another pool that is not affiliated with the suspended Pool Administrator.

3.8 Reconciliation of Monthly Volumes

The difference between calendar month supply and calendar month pool consumption as adjusted for net unbilled volumes and any prior month billing corrections, shall be reconciled at least once per year. Equitable, may reconcile the difference more frequently if the cumulative difference is deemed significant. The cumulative difference shall be reconciled in the first full calendar month following its determination by adjusting the Pool Administrator's Required Nomination Quantity on each day in the adjustment month by an amount equal to the cumulative difference divided by the number of days in the adjustment month.

Section 3.9 Supplier Exiting System

Prior to exiting the Company's system a Pool Administrator must provide 60 days written notice to the Company and its customers. The pool administrator must return or reassign capacity in accordance with Section 3.1 of this rate schedule. If the pool administrator discontinues service or defaults prior to the expiration of its contract with the customer, the Company shall provide service to the customer at the applicable tariff sales rate commencing with the next billing cycle. The customer shall be charged the rate negotiated with the discontinuing or defaulting pool administrator for the remainder of the billing cycle. Any difference between the cost incurred by the Company and the amount payable by the retail gas customer shall be recovered from the pool administrator.

4. RATES

In addition to any applicable balancing charges, standby charges or penalties, the Pool Administrator shall be subject to the following charges:

Monthly Pool Operating Fee of \$.0472 per Dth of gas delivered to the pool plus \$500 per pool. Rate FPS Pool Administrators are exempt from these fees through the Company's next general rate proceeding. (C)

Interpool transfer fee of \$.0094 per Dth of gas transferred from one pool to another billed to Pool Administrator receiving the gas. (C)

In the event of the Pool Administrator's nonpayment of any of these charges, the transportation customer participating in the nonpaying Pool Administrator's pool shall be liable to the Company for its share of such charges.

(C) Indicates Change.

EQUITABLE GAS COMPANY

RATE GPS- GENERAL POOLING SERVICE

1. AVAILABILITY

Service under this rate schedule is available to anyone who aggregates 2 or more customers, who demonstrates to the Company's satisfaction that it has met the creditworthiness and fitness standards defined in the Rules and Regulations of this Tariff, and who has entered into a General Pooling Service Agreement with the Company.

2. TYPE OF SERVICE

This is a customer aggregation service whereby a creditworthy third party, the Pool Administrator, takes assignment on behalf of a GDS customer of the customer's nomination and balancing responsibilities and, under separate contractual agreement with the Company, aggregates the customer's gas deliveries and consumption with those of other GDS customers for the purposes of calculating imbalances on the Company's system.

3. SERVICE CONDITIONS

3.1 Scheduling of Service

All transportation volumes received for Pool Administrator's account at transportation receipt points will be nominated to the Company in advance. Subject to permitted inter-pool transfers, each end use customer of the Pool Administrator's GPS Pool must have all of its natural gas consumption over the entire Customer billing cycle supplied by Pool volumes nominated by the Pool Administrator.

3.2 Monthly Balancing

The Pool Administrator shall pay all applicable balancing charges and penalties that are set forth in the Company's tariff. In the event of the Pool Administrator's nonpayment of any of these charges, the transportation customer participating in the non paying Pool Administrator's pool shall be liable to the Company for its share of such charges. For the purposes of determining monthly imbalances of the transportation pool, the Company will use the BTU conversion factor utilized in the Company's most recent 1307(f) proceeding. All transportation pools served under this Rate Schedule shall be subject to the following monthly balancing provisions.

- (1) A monthly imbalance will exist when (a) Pool consumption in a month falls short of the gas supply available for the Pool's use in a month (monthly supply excess) or (b) a Pool consumes more gas than the gas supply available for the Pool's use in a month (monthly supply shortfall).

RATE GPS- GENERAL POOLING SERVICE (CONTINUED)

3.2 Monthly Balancing (Continued)

- (2) A monthly supply excess equal to, or less than, three and one-half percent (3.5%) of the pools consumption for a month shall be carried forward to the following month and added to the gas delivered to the Company for the Pool's use for that month to arrive at the total gas supply available to the Pool for that month.
- (3) A monthly supply shortfall equal to, or less than, three and one-half percent (3.5%) of the Pool's consumption for a month shall be carried forward to the following month and subtracted from the gas delivered to the Company for the Pool's use for that month to arrive at the total gas supply available to the Pool for that month.
- (4) Any monthly excess or shortfall in a Pool's gas supply greater than the amount that can be carried forward to the following month, plus pool-to-pool transfers, shall be purchased by the Company from the Pool Administrator (Cash-In) or purchased by the Pool Administrator from the Company (Cash-Out) at the following prices:
- (a) Cash-In Price: The price paid by the Company for a Pool Administrator's supply excess shall be equal to eighty-five percent (85%) of the sum of the lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the average variable firm transportation costs, including retainage, to move the gas from the supply areas to the Company's city gate the Company's city gate. Cash-in payments will be made to Pool Administrators on a bi-annual basis on April 1 and November 1 of each year provided that the Pool Administrator is in good standing with the Creditworthiness Criteria in Section 11.20.
- (b) Cash-Out Price: The price paid by the Pool Administrator to satisfy its supply shortfall shall be equal to one hundred twenty-five percent (125%) of the sum of the highest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the average variable firm transportation costs, including retainage, to move the gas from the supply areas to the Company's city gate.
- (5) All rates set forth in this rate schedule that are billed on a volumetric per Mcf or Dth, basis may be billed using cycled metered volumes, either actual or estimated. Cash-in and cash-out prices cover only gas supply costs as defined herein. (C)

3.3 Contract Duration

The Pool Administrator's General Pooling Service contract with the Company shall be for a term of service of no less than twelve months. Notwithstanding any contract duration provision contained in a service agreement between the customer and the Pool Administrator, the Company may process any customer request to return to retail service or to transfer to a pool maintained by another pool administrator, and the Company assumes no liability for such action.

(C) Indicates Change.

RATE GPS- GENERAL POOLING SERVICE (CONTINUED)

4. RATES

In addition to any applicable balancing charges, standby charges or penalties, the Pool Administrator shall be subject to the following charges:

Monthly Pool Operating Fee of \$.0472 per Dth of gas delivered to the pool plus \$500 per pool. (C)

Inter-pool transfer fee of \$.0094 per Dth of gas transferred from one pool to another billed to Pool Administrator receiving the gas. (C)

In the event of the Pool Administrator's nonpayment of any of these charges, the transportation customer participating in the nonpaying Pool Administrator's pool shall be liable to the Company for its share of such charges.

(C) Indicates Change.

ISSUED: December 6, 2005

EFFECTIVE: February 7, 2006

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

STANDBY SERVICE

Firm Standby Service is mandatory for customers served under Rate CSF and for essential human needs customers served under any delivery service except where the customer has Alternate Fuel Capability, or the customer has received an assignment of Company's upstream pipeline capacity. Firm Standby Service is optional for other customers upon request. For a customer who does not receive Firm Standby Service, daily consumption in excess of daily deliveries on customer's behalf, in excess of customer's Maximum Daily Firm Requirement (MDFR) or in excess of a customer's Maximum Daily Quantity (MDQ) is interruptible.

Firm Standby Service is available pursuant to the following terms and conditions and subject to availability of sufficient gas supply and system capacity.

1. Customers who require natural gas service through a single meter of 20,000 Mcf or more annually:

Customers who desire Firm Standby Service must also nominate a (C)
MDFR for the entire year. MDFR nominations must be specified in
the customer's service agreement.

The MDFR nominations must be at a level which is reasonably (C)
sufficient to meet the customer's peak winter season demand. The
Company reserves the right to require revisions to nominations
which it has determined are insufficient. The Company at its
discretion may allow customers to nominate MDFRs which are below
anticipated winter season peak demands and in such cases may
require separate piping and/or metering to segregate the
customer's firm and interruptible loads and may require the
customer to reimburse the Company for any cost incurred in making
the necessary modifications.

2. Customers who require annual natural gas service through a single (C)
meter of less than 20,000 Mcf:

(C) Indicates Change.

STANDBY SERVICE - (CONTINUED)

Customers receiving Firm Standby Service shall pay a Standby Reservation charge as described below.

Monthly Reservation Charges (charged each month of the year):

Large Volume Customers

Customers who require natural gas service through a single meter for 20,000 Mcf annually or more:

\$10.48 per Mcf of MDFR (D)

Customers who require annual natural gas service of less than 20,000 Mcf:

Small Volume Customers (0 to 500 Mcf Annual Usage)

\$1.77 per Mcf of throughput (D)

Medium Volume Customers (501 to 20,000 Mcf Annual Usage)

Low Load Factor Service

Firm Standby: \$0.99 per Mcf of throughput

High Load Factor Service

Firm Standby: \$0.54 per Mcf of throughput

A Medium Volume customer will be billed at the Low Load Factor Service Rate when the customer's annual system utilization factor (actual annual volume ÷ 100% annual system utilization volume) is not more than 50 percent. A Medium Volume customer will be billed at the High Load Factor Service rate when the customer's annual system utilization factor is more than 50 percent of the customer's 100% annual system utilization volume. System utilization factors will be based on Company estimates where historic data is not available.

The Reservation charges shall be redetermined annually during the course of the Company's 1307(f) proceeding.

A customer may discontinue Firm Standby Service, if the Company, in its sole discretion, can obtain any decrease in its transportation and storage entitlements or any combination thereof required to accommodate such transfer from Standby service and the customer provides written notice to the Company at least twelve months prior to the expiration date of the customer's Service Agreement.

Standby Reservation Charge Revenue shall be credited to Purchased Gas Cost for the purpose of determining the "E" factor.

Per the settlement in Docket No. R-00038166, the Company has the ability to switch transportation customers to daily measurement or increase the cost recovery from these customers via a separate negotiated capacity charge.

(D) Indicates Decrease.

EQUITABLE GAS COMPANY

This page and Original Page Nos. 81 through 89 are intentionally left blank for future use.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

STATE TAX ADJUSTMENT SURCHARGE

There shall be added to or subtracted from each gas bill, under tariff rate schedules RS, GSS, GSL, FDS, GDS, DOS, CSF and CSI, for service on and after April 10, 2008 (0.09)% of the bills as otherwise computed in accordance with the Company's tariff. (D)

The above surcharge will be recomputed, using the elements prescribed by the Commission in accordance with the Commission's State Tax Adjustment Procedure at 52 Pa. Code Section 69.51 et seq.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation. If the recomputed surcharge is less than the one in effect, the Company will, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing. If the recomputed surcharge is more than the one then in effect the Company may submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

(D) Indicates Decrease.

ISSUED: March 31, 2008

EFFECTIVE: April 10, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

RIDER APURCHASED GAS COST

(C)

I. Provision for Purchased Gas Cost

The Purchased Gas Cost (PGC) is the rate determined pursuant to Section 1307(f) of the Public Utility Code for recovery of natural gas costs and shall be included in Rate Schedules RS, GSS, and GSL of this Tariff (PGC Rate Schedules) as explained here and after.

II. Computation and Application of Purchased Gas Cost (PGC)

The PGC shall be computed to the nearest one cent (\$0.01) in accordance with the formula set forth below:

$$\text{PGC} = \frac{C - E}{S}$$

The PGC shall be redetermined annually; provided, however, that such rate may be revised on an interim basis subject to approval of the Pennsylvania Public Utility Commission upon determination that the effective rate will result in material over or under collections if not revised.

III. Definitions

"PGC" -- purchased gas cost determined to the nearest one cent (\$0.01) comprised of a "C" factor and an "E" factor. The C factor is the natural gas supply charge included in the PGC Rate Schedules. The E factor is included in the natural gas delivery charge in the PGC Rate Schedules except for those customers returning from Delivery Service Rate Schedules in accordance with Rider B.

"C" -- a number of dollars, determined as follows: (a) for all types of "Purchased 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 noncurrent gas at the beginning of the computation year minus (2) the projected book value of noncurrent gas at the end of the computation year. The C factor is C divided by S.

"E" -- Net over collection or under collection of the cost of purchased gas including interest, for the period beginning with the month following the last month of the historic reconciliation included in the previous PGC and ending with the month preceding the effective date of the new PGC. The E factor is E divided by S.

(C) Indicates Change

ISSUED: August 15, 2000

EFFECTIVE: October 1, 2000

J. T. EGLER
PRESIDENT

RIDER A - (Continued)

The "E" factor shall also provide for refund or recovery of amounts necessary to adjust for differences between actual over and under collections and estimated over and under collections included in the "E" factor of the previous PGC.

Interest shall be computed monthly at the appropriate rate as provided for in Section 1308(d) of the Public Utility Code from the month the over or under collection occurs to the effective month such over collection is refunded or such under collection is recouped.

Supplier refunds received applicable to PGC Rate Schedules will be included in the calculation of "E" with interest added at the annual rate of six percentum (6 percent) calculated in accordance with the foregoing procedure beginning with the months such refund is received by the Company.

For the purpose of computing monthly over and undercollections to be reflected in "E" the following will be deducted from Purchased Gas Cost:

1. Demand and reservation charges billed sales customers under Rate Schedule CSF and transportation customers with firm standby service under any applicable Delivery Service Rate Schedule. Such charges shall be based on the Company's cost of reserving firm pipeline services and redetermined annually during the course of the Company's 1307(f) filing to be effective during the ensuing PGC application period.
2. The commodity cost of gas applicable to contract sales and standby sales service as specified in Rate Schedules CSF, CSI, and applicable Delivery Service Rate Schedules.

"S" -- projected Mcf of gas to be billed under PGC Rate Schedules during the computation year.

"Purchased Gas" -- the volume of gas projected to be purchased by the Company and delivered to customers under PGC Rate Schedules, 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.

"The Current PGC" -- is \$13.97 per Mcf, comprised of a C factor of \$11.99 and an E factor of \$1.98. (I)

"Computation Year" -- the projected year during which the PGC will be in effect.

The application of the purchased gas cost shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the purchased gas cost and the charges included herein.

(I) Indicates Increase.

EQUITABLE GAS COMPANY

RIDER A - (Continued)

If from such audit it shall be determined, by final order entered after notice and hearing, that this clause has been erroneously or improperly utilized, the Company will rectify such error or impropriety, and in accordance with the terms of the order apply credits against future purchased gas adjustments for such revenues as shall have been erroneously or improperly collected. The Commission's order shall be subject to the right of appeal.

ISSUED: January 6, 1998

EFFECTIVE: January 7, 1998

J. T. EGLER
CHIEF OPERATING OFFICER

RIDER B

TRANSPORTATION MIGRATION RIDER

I. This rider provides a method under 1307(f) of the Public Utility Code for recovery of the experienced net over/under collection of purchased gas costs as adjusted quarterly from ratepayers who shifted from the retail service to delivery service on or after the effective date of this rider. The Company may waive this rider, in whole or in part, for customers with competitive options.

II. The migration rider rate shall equal the current 1307(f) rate less the C-Factor (projected cost of gas) as approved in the Company's most recent annual Section 1307(f) natural gas cost proceeding, including all E-Factor adjustments to the rate resulting from the Company's quarterly recalculation of natural gas costs.

Revenue under this rider will be credited in the Company's 1307(f) mechanism.

III. This rider shall be applicable to Rate FDS, GDS and DDS customers for a period of one year from the date upon which the customer last shifted from the Company's retail service.

IV. Applicable Surcharges

	<u>\$ Mcf</u>	
Rate Schedules FDS, GDS, DDS	\$1.98	(I)

This rate will be recalculated as part of the 1307(f) proceedings and will be tracked monthly.

Reverse Migration Charge:

Customers returning to retail sales service, who have been receiving delivery service for a minimum of twelve consecutive months, are not subject to the E-Factor portion of the Company's purchase gas cost rate so long as they remain a retail sales service customer for a period of one year.

(I) Indicates Increase.

ISSUED: March 31, 2008

EFFECTIVE: April 1, 2008

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

EQUITABLE GAS COMPANY

RIDER C

TRANSITION COST RECOVERY SURCHARGE

I. This rider establishes a surcharge in accordance with the settlements approved by the Public Utility Commission in the Company's restructuring proceeding at Docket No. R-00994784, in its 2000 Section 1307(f) proceeding at Docket No. R-00005067 and in the Equitable/Carnegie merger at Docket Nos. A-121100F004, A-121100F0005 and A-120600F2000. The Company, in its sole discretion, can waive this charge, in whole or in part, to customers with competitive options.

II. Rate:	Residential, Commercial		(C)
	Industrial	\$0.227 per Mcf	
	Effective November 1, 2003:		(C)
	Residential	\$0.227 per Mcf	
	Commercial & Industrial	\$0.17 per Mcf	(C) (D)

(C) Indicates Change. (D) Indicates Decrease.

ISSUED: September 30, 2003

EFFECTIVE: October 1, 2003

R. L. CRAWFORD
PRESIDENT

RIDER D

UNIVERSAL SERVICE AND ENERGY CONSERVATION

- I. This rider provides a method of recovery of costs associated with the Company's Universal Service and Energy Conservation programs.
- II. This Rider shall be applicable to Rate RS, and residential customers receiving service under rate FDS except customers enrolled in the EAP.
- III. Rate: \$0.580 per Mcf (I)

(I) Indicates Increase.

ISSUED: October, 1, 2007

EFFECTIVE: October 2, 2007

D. L. FRUTCHEY
CHIEF REGULATORY OFFICER, EQUITABLE UTILITIES

EQUITABLE GAS COMPANY

SUPPLEMENT NO. 19
TO GAS - PA. P.U.C. NO. 22
FIRST REVISED PAGE NO. 97
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(C) Indicates Change.

ISSUED: September 29, 2000

EFFECTIVE: October 1, 2000

J. T. EGLER
PRESIDENT

RATE AGS - APPALACHIAN GATHERING SERVICE

(C)

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts.

(C)

AVAILABILITY

Service under this rate schedule is available to any party desiring to transport gas through the gathering system for redelivery into the Company's service territory i.e., Equitable and Apollo Districts, provided that there exists: (1) a gas purchase agreement with the Company; or, a gas purchase agreement with a third-party; and (2) compliance with the provisions of this Rate Schedule and with all other provisions of this Tariff.

(C)

RATE

The applicable rate for this service shall be determined by negotiation. The Company shall retain a separate quantity of gas for fuel, loss and unaccounted for gas required to provide this gathering service.

TERM

The term for service shall be a minimum of one (1) year from the commencement of deliveries of gas supplies.

CHARACTER OF SERVICE

Equitable's only obligation under this Rate Schedule shall be to receive gas from any Appalachian receipt point and to permit that gas to flow against the existing pressure in Equitable's facilities. Equitable shall not be obligated to lower such line pressure by compression or otherwise to accommodate receipts from local Appalachian producers under this Rate Schedule.

Service under this Rate Schedule shall be subject to Operational Flow Orders pursuant to Section 11.13 of the Rules and Regulations of this Tariff. Nothing in this Rate Schedule shall limit Equitable's right to interrupt service or to take other action as may be required to alleviate conditions which threaten the integrity of its system.

(C) Indicates Change

ISSUED: September 30, 2004

EFFECTIVE: October 1, 2004

D. L. FRUTCHEY
SENIOR VICE PRESIDENT

EQUITABLE GAS COMPANY

SUPPLEMENT NO. 28
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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE GAS COMPANY

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE GAS COMPANY

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE GAS COMPANY

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

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R. L. CRAWFORD
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EXECUTIVE VICE PRESIDENT

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EXECUTIVE VICE PRESIDENT

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE GAS COMPANY

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

EQUITABLE GAS COMPANY

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R. L. CRAWFORD
EXECUTIVE VICE PRESIDENT

SUPPLEMENT NO. 60

TO

GAS - PA. P.U.C. NO. 22

EQUITABLE GAS COMPANY

A DIVISION OF EQUITABLE RESOURCES, INC.

SCHEDULE OF RATES, RULES AND REGULATIONS

FOR

GAS SERVICE IN

CITY OF PITTSBURGH

AND TERRITORY ADJACENT THERETO

(For Lists of Communities Served, see Page No. 4)

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

Issued

By

M. Elise Hyland
President
EQUITABLE GAS COMPANY
225 NORTH SHORE DRIVE
PITTSBURGH, PA 15212-5861

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

Page	Page Description	Revision Description
Cover	Tariff Cover Page	Supplement Number, Effective and Issue Date
2	List of Modifications	List
2A	List of Modifications	List
3	Table of Contents	Changes made to Pages 43, 46, and 95
10	Rules and Regulations; 1.3 Other Service Conditions	Add Backup Service and Tap Fee Language
17	Rules and Regulations 6.2 Reconnection Charge	Change Commercial and Industrial Reconnection Charge
17A	Rules and Regulations 6.3 Transfer and Connection Fees	Due to length of language an additional page was added; Change Transfer and Connection Fees
18	Rules and Regulations 6.4 Customer Service Charge	Change Charges for Various Customer Service Request for Residential, Commercial, and Industrial Customers
18A	Rules and Regulations 6.4 Customer Service Charge, (Continued)	Due to length of language an additional page was added
18B	Rules and Regulations	Due to length of language an additional page was added
29	Rules and Regulations; 11.2 Service Agreement	Increase Consumption Level for Required Service Agreement
30	Rules and Regulations 11.5 Quality of Gas 11.6 Obligation to Serve	Adjust Quality of Gas Wording; Add Language Regarding Pool Administrator Billing Service
30A	Rules and Regulations	Due to length of language an additional page was added
40	Residential Service	Rate Change and Add Special Provision for Temporary Service for New Construction
41	GSS	Rate Change and Add Special Provision for Temporary Service for New Construction
42	GSL	Rate Change and Add Special Provision for Temporary Service for New Construction
43-45	CSF	Eliminate Rate CSF
46-49	CSI	Eliminate Rate CSI

EQUITABLE GAS COMPANY

ORIGINAL PAGE NO. 2A

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

61	Rate FDS	Change Rates; Change Balancing Charge
62	Rate FDS	Add Late Payment Charge; Change Reference to Rider C Surcharge
63	Rate GDS	Change Rates; Adjust Availability Requirements; Change Balancing Charge
64	Rate GDS	Change Balancing Description; Indicate this Service is Interruptible; Add "not included in a Pool Administrator aggregation pool under Rate GDS," to Monthly Balancing Provision
65	Rate GDS	Add Late Payment Charge; Change Reference to Rider C Surcharge
67	Rate DDS	Change Rates; Change Balancing Charge; Change Balancing Description
69	Rate FPS	Eliminate Exclusion of No Notice Service to Capacity Assignment
70	Rate FPS	Add 300 Mcf Limit for Firm Service
74	Rate FPS	Eliminate Pool Operating Fee and Interpool Transfer Fee
77	Rate GPS	Eliminate Pool Operating Fee and Interpool Transfer Fee
78	Standby Service	Remove Reference to Rate CSF
79	Standby Services	Change Rates; Change Description of Standby Rate Determination; Add Waiver Language
90	STAS	Remove reference to CSF and CSI and add GL; Adjust from (0.09)% to 0%
92	Rider A	Change Rate; Change Description of Standby and Balancing Credit
95	Rider C Transition	Eliminate Transition Surcharge and Create New Rider C Surcharge
96	Rider D USEC	Change Rate; Presents Calculation Method with Reconciliation Provision

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

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(C) Indicates Change.

RULES AND REGULATIONS - (CONTINUED)

1.2 Applications For Service Extension of Mains (Continued)

requests a CIAC from an applicant whose request is not for "special utility service," and additional volumes are added to the extended facilities financed by the applicant's CIAC within three years of the date of completion of the facilities, the applicant who paid the CIAC will be entitled to a pro rated refund during the three-year period immediately following completion of the extension.

1.3 Other Service Conditions

In the case of an industrial or commercial customer, the Company may condition the acceptance of a particular application for the initiation or increase of service, whether or not an extension of facilities is required to provide such service, by the establishment of guarantees of revenues or other appropriate conditions, including, but not limited to, the setting of maximum daily volumes to be provided, when such application involves the commitment of a gas supply to provide the service requested or involves conditions of service different from that normally provided to its other customers.

The Company, at its sole discretion, will maintain the necessary facilities to provide a back-up service to a customer for switching purposes between Natural Gas Distribution Companies or alternative fuels. The charge for facilities providing such a back-up service will be the Company's highest allowable monthly service charge per meter, plus the applicable volumetric charge per Mcf consumed. (C)

The Company also reserves the right to charge a tap fee to recover the costs of constructing all facilities related to providing the backup service. (C)

In the case of residential service, prior to providing utility service, the Company may require the Applicant to provide the names of each adult occupant residing at the location and proof of their identity.

1.4 Service Pipes and Fittings

The customer shall, at the customer's own expense, furnish and install all service pipes, fixtures, fittings, valves and appliances, and all materials necessary for meter installations, as required by the Company, between the Company's curb box and the point of consumption of the gas except as otherwise provided in Rule 1; maintain all of the same in good condition and repair, and renew the same when necessary, furnishing such materials, labor and supervision as may be necessary to transport and burn the gas with safety, and shall be liable for any failure to do so.

1.5 Subject to Company Inspection/Duty of Customer to Maintain

The character and arrangement of the facilities through which the gas is transported from the Company's curb box to the point of consumption shall be subject to the inspection and approval of an authorized agent of the Company, but the Company shall not be responsible in any manner for the installation, use and maintenance of those facilities, and shall have no duty or obligation with respect to the care, maintenance or supervision of the facilities.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

6.2 Reconnection Charge

The Company may not deny restoration of service for the nonpayment of competitive third party natural gas supplier charges.

(a) Residential

(1) Residential Termination for Non-payment/Noncompliance

Whenever a residential customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, a reconnection charge of \$50.00 must be paid at the office of the Company before the gas will be turned on again.

(2) Payment of Outstanding Balance

The Company may also require the payment of any outstanding balance or portion of an outstanding balance if an applicant resided at the property for which service is requested during the time the outstanding balance accrued and for the time the applicant resided at the property.

(3) Disconnection at Customer's Request

If service is discontinued at the request of a residential customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$50.00. (C)

(b) Commercial (C)

If a commercial customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, the Company shall not be under any obligation to resume service to the same customer at the same premises without the payment of a reconnection charge of \$210.00.

If service is discontinued at the request of a commercial customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$210.00

(c) Industrial (C)

If an industrial customer has the gas service shut off or the meter disconnected because of non-payment of bills for regulated service or non-compliance with the Company's Rules and Regulations, the Company shall not be under any obligation to resume service to the same customer at the same premises without the payment of a reconnection charge of \$210.00.

If service is discontinued at the request of a industrial customer, the Company shall not be under any obligation to resume service to the same customer at the same premises unless it shall receive payment of the reconnection charge of \$210.00.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

6.3 Transfer and Connection Fees

(C)

(a) Residential

The Company shall charge a transfer fee of \$25.00 to residential applicants, including but not limited to landlords of residential property, when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$50.00 for residential applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location, except where 6.2 applies.

(b) Commercial

The Company shall charge a transfer fee of \$115.00 to commercial applicants, including but not limited to landlords of commercial property, when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$230.00 for commercial applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location.

(c) Industrial

The Company shall charge a transfer fee of \$115.00 to industrial applicants when natural gas service is not being initiated or reinstated but is continuing from a prior ratepayer who is not the builder of the premises. This fee may be waived if applicant agrees to a transfer of service which does not require an on-site visit.

The Company shall charge a connection fee of \$230.00 for industrial applicants when natural gas service is being initiated for the first time or had been previously discontinued at the location.

(C) Indicates Change.

RULES AND REGULATIONS - (CONTINUED)

6.3 Transfer and Connection Fees (Continued)

In no case shall a connection or transfer fee be charged to a residential ratepayer whose income does not exceed 150% of the Federal Poverty Level and/or who is eligible to receive a LIHEAP award; or to the builder of a residence or commercial building who is using natural gas during the construction process; or to a ratepayer in a competitive posture, as determined in the sole discretion of the Company. Separate connection fees for reinstatement are set forth in Section 6.2.

6.4 Customer Service Charge

(C)

(a) Residential

Any residential customer requesting service that requires an on-site visit will be charged a service charge of \$70.00.

For residential customers requesting same-day service that requires an on-site visit an additional \$70.00 fee shall apply. This service is provided based on resource availability and is in addition to any fees for services performed or other applicable services outlined in this tariff.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$70.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$60.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance; and \$100 service charge for inspection of residential, renewed, house lines.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

Customers that request to add a meter set without adding additional load will be charged \$225.00 for 1 meter, \$275.00 for 2 meters and \$105.00 each for 3 or more meters.

(b) Commercial

Any commercial customer requesting service that requires an on-site visit will be charged a service charge of \$105.00.

(C) Indicates Change

EQUITABLE GAS COMPANY

ORIGINAL PAGE NO. 18A

RULES AND REGULATIONS - (CONTINUED)

(C)

For commercial customers requesting same-day service that requires an on-site visit an additional \$105.00 fee shall apply. This service is provided based on resource availability and is in addition to any fees for services performed or other applicable services outlined in this tariff.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$105.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$340.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

(c) Industrial

Any industrial customer requesting service that requires an on-site visit will be charged a service charge of \$105.00.

For industrial customers requesting same-day service that requires an on-site visit an additional \$105.00 fee shall apply.

No service charge shall apply to reasonably suspected hazardous situations, including but not limited to those involving an unexplained odor of gas.

In lieu of the \$105.00 service charge, the following service charges will apply to the corresponding service: \$200.00 service charge for a temporary service line; \$340.00 service charge for a high bill investigation; \$50.00 service charge for the relighting of an appliance.

In the case of a high bill investigation, no charge shall apply if the investigation detects a measurement error.

(C) Indicates Change

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M. ELISE HYLAND
PRESIDENT

EQUITABLE GAS COMPANY

ORIGINAL PAGE NO. 18B

RULES AND REGULATIONS - (CONTINUED)

6.5 Seven Days Notice

Customers who intend to remove from the premises, discontinue the use of gas or terminate in any manner their liability to pay for gas delivered to the premises, shall give seven days' notice thereof; otherwise they will be held responsible for all gas delivered to the premises until seven days shall have expired after such notice has been received. New occupants must make application at the office of the Company at the time they commence the use of gas, or they will be held responsible for any back charge against the premises.

6.6 Final Bill

Except as otherwise provided in this rule, final bills for customers receiving service under any rate schedule within this tariff may be based on estimated consumption without an actual meter reading. When disconnect and reconnect orders are executed on different days, an actual or estimated meter reading shall be obtained. When disconnect and reconnect orders are executed on the same day, final bills may be

RULES AND REGULATIONS - (Continued)

Each Pool Administrator will be obligated to keep on file written evidence of each customer's enrollment with that Pool Administrator, which evidence shall be available for Company review at any time, upon 24 hours' notice.

The Company will provide to a Pool Administrator a confirmed list of added and deleted customers in its Pool by the 15th of the month prior to each service month via an electronic media. At the same time, the Company agrees, for existing customers, to provide the last fourteen (14) months of consumption information or, for new Company customers, estimated volumes. Further, the Company will provide its capacity assignment levels, to each Pool Administrator as defined in Rate FPS at the same time.

11.2 Service Agreement

Service agreements for delivery services are not required unless the customer consumes more than 10,000 Mcf per year or has negotiated a delivery service rate less than the maximum rate. (C)

When a service agreement is required, an agreement for a minimum of one year must be executed by each applicant as a condition to receiving delivery service unless the Company agrees to a shorter term. The Service Agreement, when required, shall include but not be limited to: 1) the point(s) at which the Company will receive customer's gas; 2) the point(s) at which the Company will deliver customer's gas to customer's facilities; 3) pressure, maximum and minimum daily volumes, and annual delivery service volumes. Delivery of gas will not begin until a Service Agreement is fully executed.

11.3 Natural Gas Supply Shortage

In the event of a natural gas supply shortage which threatens Priority 1 Service, the delivery service customer agrees to sell its natural gas supply to the Company at the Company's weighted average cost of gas. If the delivery service customer is a Priority 1 customer, this section will apply only in the event of and to the same extent as curtailment of service to all Priority 1 customers impacted by the gas supply shortage. The customer will be required to furnish a copy of the customer's supply contract or other evidence of price to the Company upon request.

(C) Indicates Change.

RULES AND REGULATIONS - (Continued)

11.4 Shrinkage

The Company's retention allowance for delivery service shrinkage is 6.0 percent of the total volume delivered into its system on behalf of commercial and industrial customers and 8.0 percent of the total volume delivered into its system on behalf of all other customers. The Company reserves the right to discount shrinkage at the Company's discretion.

In addition to the shrinkage rate listed above the Company reserves the right to retain a portion of all Apollo District transportation volumes as compressor fuel. The portion will be established in each customer contract based upon the character of the actual service to be provided by the Company, but will not be greater than 3.0%

11.5 Quality of Gas

Gas of suitable quality, consistent with the Company's operating standards, must be provided by the customer at receipt point(s) designated in the Service Agreement.

(C)

11.6 Obligation To Serve

Delivery service customers who hold assigned capacity pursuant to Rate FPS sufficient to meet their firm requirements may return to sales service and the Company will accept back the underlying capacity. The Company shall treat delivery service customers who do not hold assigned capacity sufficient to meet their firm requirements and who wish to return to retail service in the same manner in which it would treat similarly situated customers who apply for retail service for the first time, except that, if the customers are permitted to return to firm service, then the Company shall accept back any capacity previously assigned to the customers. Failure of a customer to pay a Pool Administrator's bill is not a basis for termination of a customer by the Company or for denying the customer's return to retail sales service. Where the Company provides a consolidated bill, partial payment will be credited first to the Company's portion of the bill because the Company retains the obligation to serve.

The Company will bill customers each month for Distribution services. A Pool Administrator may elect to have the Company bill for its commodity charges on this monthly statement. An Agreement for this consolidated billing service must be completed between the Company and the Pool Administrator which shall include, but not be limited to: (1) services and bill content; (2) billing and payment data exchange, (3) collection and remittance of taxes, (4) charges and fees. The Company shall not be required to provide space for bill inserts, bill messages, or for the billing of charges other than gas commodity charges. Customers' payments shall be credited first to amounts due to the Company, including installment payments of amounts due to the Company under an existing payment plan.

(C)

(C) Indicates Change.

EQUITABLE GAS COMPANY

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RULES AND REGULATIONS - (Continued)

11.7 Company Agency

If requested by the customer, and agreed to by the Company, the Company will act as agent for the customer in securing storage services and transportation capacity on transmission pipelines to transport customer's gas to the pipeline delivery points on the Company's system. This service shall be administered by the Company subject to the same terms, conditions and rates placed upon other pool operators operating under Equitable's tariff. The Company shall not be responsible for storage and transportation charges incurred on behalf of the customer, nor for the performance, non-performance or continued availability of any pipeline transportation service. The charges for this service shall be determined by negotiation between the Company and the customer.

ISSUED: June 30, 2008

M. ELISE HYLAND
PRESIDENT

EFFECTIVE: August 29, 2008

RATE RS - RESIDENTIAL SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available at one location for the total gas requirements of any residential customer account.

RATE

The monthly charge for each customer served at each location under this rate schedule shall be the sum of the following:

Monthly Service Charge:	\$20.00 per meter	(I)
Natural Gas Supply Charge:	\$12.17 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.678 per Mcf	(D)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.698 per Mcf	(D)

LATE PAYMENT CHARGE

If payment of bill has not been received within twenty days from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

SPECIAL PROVISION

(C)

Temporary service for new construction transferred from a builder or developer to an owner is not subject to the Migration Rider B or Standby Service requirements.

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

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M. ELISE HYLAND
PRESIDENT

RATE GSS - GENERAL SERVICE SMALL

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of a commercial or industrial customer who the Company estimates will use 1,000 MCF or less in a twelve month period at that service location. The Company, at its sole discretion, may allow for the aggregation of volumes to qualify for a defined Delivery rate. In these cases, the monthly charge applicable will be based on the volume delivered via each meter. (C)

RATE

The monthly charge for each customer at each location served under this rate schedule will be the following:

Monthly Service Charge:

Annual Throughput < 500	\$23.00 per meter	(I)
Annual Throughput 500 - 1,000	\$34.00 per meter	(I)
Natural Gas Supply Charge:	\$12.17 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.776 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.796 per Mcf	(I)

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGES

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

SPECIAL PROVISION

(C)

Temporary service for new construction transferred from a builder or developer to an owner is not subject to the Migration Rider B or Standby Service requirements.

(C) Indicates Change. (I) Indicates Increase.

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M. ELISE HYLAND
PRESIDENT

RATE GSL - GENERAL SERVICE LARGE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company.

AVAILABILITY

Available for the total gas requirements at each service location of an industrial or commercial customer who the Company estimates will use more than 1,000 Mcf in a twelve month period at that service location. The Company, at its sole discretion, may allow for the aggregation of volumes to qualify for a defined Delivery rate. In these cases, the monthly charge applicable will be based on the volume delivered via each meter.

RATE

Monthly Service Charge:

Annual Throughput 1,001 - 4,999	\$150.00 per meter	(I)
Annual Throughput 5,000 - 25,000	\$300.00 per meter	(I)
Annual Throughput > 25,000	\$1,600.00 per meter	(I)
Natural Gas Supply Charge:	\$12.17 per Mcf	(I)
Natural Gas Delivery Charge:	\$4.603 per Mcf	(I)

Customers returning from delivery service in accordance with Rider B

Natural Gas Delivery Charge:	\$2.623 per Mcf	(I)

LATE PAYMENT CHARGE

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% will be added to the unpaid balance each month until the entire bill is paid.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service Charge.

SURCHARGES AND RIDERS

Gas sold under this schedule is also subject to applicable Surcharges and Riders of this Tariff.

RULES AND REGULATIONS

The Company's Rules and Regulations in effect from time to time where not inconsistent with any specific provision herein are a part of this rate schedule.

SPECIAL PROVISION

(C)

Temporary service for new construction transferred from a builder or developer to an owner is not subject to the Migration Rider B or Standby Service requirements.

(C) Indicates Change. (I) Indicates Increase.

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M. ELISE HYLAND
PRESIDENT

EQUITABLE GAS COMPANY

SUPPLEMENT NO. 60
GAS - PA. P.U.C. NO. 22
FIRST REVISED PAGE NO. 43
CANCELLING ORIGINAL PAGE NO. 43

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(C)

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PRESIDENT

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EQUITABLE GAS COMPANY

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GAS - PA. P.U.C. NO. 22
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PRESIDENT

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RATE FDS - FIRM DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Service under this rate schedule is available for resale service and to any essential human needs customer and any customer who consumes 300 Mcf annually or less, and to any other customer who consumes no more than 5,000 Mcf annually where the customer's full commodity requirements are supplied through a single aggregation pool pursuant to the Company's Firm Pooling Service (FPS). (C)

RATE

The applicable rate for each district shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Residential	\$ 20.00 per meter	(I)
Commercial and Industrial:		
Annual Throughput < 500	\$ 23.00 per meter	(I)
Annual Throughput 500 - 1,000	\$ 34.00 per meter	(I)
Annual Throughput 1,001 - 4,999	\$150.00 per meter	(I)

Delivery Charge:

Residential Service	\$ 2.698 per Mcf	(I)
Small Commercial, Industrial and Resale	\$ 2.796 per Mcf	(I)
Large Commercial and Industrial	\$ 2.623 per Mcf	(I)

Balancing Charge:

Pursuant to Special Provision (a):	\$ 0.24 per Mcf	(I)

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(C) Indicates Change. (I) Indicates Increase.

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M. ELISE HYLAND
PRESIDENT

RATE FDS - FIRM DELIVERY SERVICE (CONTINUED)

(C)

RULES AND REGULATIONS

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff. Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Rider C Surcharge

(C)

Residential:

Universal Service and Energy Conservation Rider D

LATE PAYMENT CHARGE

(C)

If payment of bill has not been received within twenty days for Residential and within fifteen days for Commercial and Industrial from date of mailing, a Late Payment Charge of 1.5% per month, will be added to the unpaid balance each month until the entire bill is paid.

(C) Indicates Change

ISSUED: June 30, 2008

M. ELISE HYLAND
PRESIDENT

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RATE GDS - GENERAL DELIVERY SERVICE

APPLICABILITY

These rates shall be applicable throughout the territory served by the Company, i.e., Equitable and Apollo Districts

AVAILABILITY

Delivery service under this rate schedule is available for resale service and to commercial and industrial customers using in excess of 300 Mcf annually who do not qualify for or elect service under Rate FDS and whose full commodity requirements are supplied through a single aggregation pool pursuant to the Company General Pooling Service (GPS). A customer who uses more than 5,000 Mcf annually is not required to receive supply through the Company's General Pooling Service (C)

RATE

The applicable rate for each district shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Commercial and Industrial:

Annual Throughput < 500	\$ 23.00 per meter	(I)
Annual Throughput 500 - 1,000	\$ 34.00 per meter	(I)
Annual Throughput 1,001 - 4,999	\$150.00 per meter	(I)
Annual Throughput 5,000 - 25,000	\$300.00 per meter	(I)
Annual Throughput > 25,000	\$1,600.00 per meter	(I)

Delivery Charge:

Small Commercial, Industrial and Resale	\$ 2.796 per Mcf	(I)
Large Commercial and Industrial	\$ 2.623 per Mcf	(I)

Balancing Charge:

Pursuant to Special Provision (b)	\$ 0.27 per Mcf	(I)

TERM

The term for service shall be a minimum of one (1) year from the commencement of deliveries of gas supplies for the customer's account.

MINIMUM CHARGE

The minimum monthly payment shall be the Monthly Service charge.

(C) Indicates Change. (I) Indicates Increase.

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

SPECIAL PROVISIONS

(a) Customers will be allowed to transfer to or from this rate schedule only if: (1) the Company can obtain any increase or decrease in its gas supplies, transportation capacity and storage capacity or any combination thereof required to accommodate such transfer; or (2) the Company, in its sole judgment concludes that no increase or decrease is required.

(b) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options. The Company will provide a credit to Rider A gas costs associated with the capacity utilized to provide balancing services to transportation customers. The balancing charge rate will be adjusted each year in conjunction with the Company's 1307(f) filing. (C)

(c) This service is interruptible, however, customers may elect to take an assignment of capacity or purchase Standby Service from the Company. (C)

Monthly Balancing

All delivery service customers served under this rate schedule not included in a Pool Administrator's Aggregation pool under Rate GPS, shall be subject to the following monthly balancing provisions. (C)

(1) A monthly imbalance will exist when (a) a customer's consumption in a month falls short of the gas supply available for the customer's use in a month (monthly supply excess) or (b) a customer consumes more gas than the gas supply available for the customer's use in a month (monthly supply shortfall).

(2) A monthly supply excess equal to, or less than, three and one-half percent (3.5%) of the customer's consumption for a month shall be carried forward to the following month and added to the gas delivered to the Company for the customer's use for that month to arrive at the total gas supply available to the customer for that month.

(3) A monthly supply shortfall equal to, or less than, three and one-half percent (3.5%) of the customer's consumption for a month shall be carried forward to the following month and subtracted from the gas delivered to the Company for the customer's use for that month to arrive at the total gas supply available to the customer for that month.

(C) Indicates Change

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M. ELISE HYLAND
PRESIDENT

RATE GDS - GENERAL DELIVERY SERVICE (CONTINUED)

(4) Any monthly excess or shortfall in a customer's gas supply greater than the amount that can be carried forward to the following month shall be purchased by the Company from the customer (Cash-In) or purchased by the customer from the Company (Cash-Out) at the following prices:

(a) Cash-In Price: The price paid by the Company for a customer's supply excess shall be equal to eighty-five percent (85%) of the sum of the lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the transportation costs, including retainage, to move the gas from the supply areas to the Company.

(b) Cash-Out Price: The price paid by the customer to satisfy its supply shortfall shall be equal to one hundred twenty-five percent (125%) of the sum of the highest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point for the month, plus the transportation costs, including retainage, to move the gas from the supply areas to the Company.

(5) All rates set forth in this rate schedule that are billed on a volumetric per Mcf basis may be billed using cycled metered volumes, either actual or estimated. Cash-in and Cash-out prices cover only gas supply costs as defined herein.

Rules and Regulations

Service under this rate schedule is subject to the Additional Rules Applicable to All Delivery Services and other applicable rules contained in this tariff.

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Rider C Surcharge

(C)

LATE PAYMENT CHARGE

(C)

If payment of bill has not been received within fifteen days from date of mailing, a Late Payment Charge of 1.5% per month will be added to the unpaid balance each month until the entire bill is paid.

(C) Indicates Change.

RATE DDS- DAILY DELIVERY SERVICE (CONTINUED)

RATE

The applicable rate shall be determined by negotiation between the Company and the customer and shall not exceed the rates set forth below plus riders applicable to this service:

Monthly Service Charge:

Commercial and Industrial:

Annual Throughput 5,000 - 25,000	\$300.00 per meter	(I)
Annual Throughput > 25,000	\$1,600.00 per meter	(I)

Delivery Charge:

Resale Service	\$ 2.796 per Mcf	(I)
Large Commercial and Industrial	\$ 2.623 per Mcf	(I)

Balancing Charge:

Pursuant to Special Provision (a)	\$ 0.27 per Mcf	(I)

Customers served under this rate schedule are subject to all applicable surcharges and riders including:

Transportation Migration Rider B
Transition Cost Surcharge Rider C

SPECIAL PROVISIONS

(C)

(a) The Balancing Charge includes the cost of the resources needed by the Company to balance its system. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options. The Company will provide a credit to Rider A gas costs associated with the capacity utilized to provide balancing services to transportation customers. The balancing charge rate will be adjusted each year in conjunction with the Company's 1307(f) filing.

BALANCING CHARGES

Daily Balancing

A daily imbalance will exist when (a) a customer's consumption in a day falls short of the daily gas supply nominated (daily supply excess), or (b) a customer's consumption in a day exceeds the daily supply nominated (daily supply shortfall).

- (1) All daily supply excess or shortfall greater than 3.5% of the customer's consumption for a day shall be charged a \$0.25 per Mcf penalty.
- (2) A daily supply excess greater than 3.5% will be Cashed-In at 85% of the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Dominion, South Point on the day the excess occurs.

(C) Indicates Change. (I) Indicates Increase.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

RATE FPS - FIRM POOLING SERVICE

TERMS AND CONDITIONS

1. AVAILABILITY

Service under this rate schedule is available to anyone who aggregates a minimum of 50 customers or 5,000 Mcf annually, who demonstrates to the Company's satisfaction that it has met the creditworthiness and fitness standards defined in the Rules and Regulations of this tariff, and who has entered into a Firm Pooling Service Agreement with the Company.

2. TYPE OF SERVICE

This is a customer aggregation service whereby a creditworthy third party, the Pool Administrator, takes assignment on behalf of a FDS customer of the customer's nomination and balancing responsibilities and, under separate contractual agreement with the Company, aggregates the customer's gas deliveries and consumption with those of other FDS customers for the purposes of calculating imbalances on the Company's system.

3. SERVICE CONDITIONS

3.1 Assignment of Upstream Capacity

(C)

The Company will assign the following upstream firm pipeline capacity to the Pool Administrator in a two-tiered approach: firm transportation on the Company's upstream transportation pipeline, Texas Eastern Transmission Corporation ("TETCo"); firm transportation on Equitrans L.P. ("Equitrans") with primary receipt points at interconnections with TETCo; and storage related firm transportation on Equitrans. Capacity will be assigned on behalf of each customer of the Pool Administrator's FPS Pool based on the Company's determination of peak design day consumption of the customer. The two tiers of capacity assignment are as follows:

(i) Pools with MDQs less than 1,000 Dth per day

No capacity will be assigned. The firm standby charge will apply to the Pool consumption and be billed to the Pool Administrator. The Pool Administrator will have the option of (1) purchasing and delivering supplies under its own supply contracts, or (2) purchasing gas supplies on an interruptible basis from the Company.

(C) Indicates Change

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

- (ii) Pools with MDQs greater than or equal to 1,000 Dth per day

The Pool Administrator will be assigned firm transportation and firm storage capacity on a pro-rata basis. However, the Pool Administrator may elect, subject to the Company's approval, assignment on a non-discriminatory basis of other than a pro-rata allocation.

- (iii) Customers using 300 Mcf annually or less must reside in a Firm Pool under this rate schedule and follow the capacity assignment guidelines discussed in parts (i) and (ii). (C)

(C) Indicates Change

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

RATE FPS - FIRM POOLING SERVICE (CONTINUED)

If the Pool Administrator fails to deliver quantities equal to the daily RNQ, the Company reserves the right, at its sole discretion, to recall or otherwise withdraw capacity rights assigned to the Pool Administrator and terminate the Firm Pooling Service contract upon ten (10) days written notice to the Pool Administrator.

All customers receiving gas supply from a suspended Pool Administrator's pool must choose one of the following options: (1) return to an applicable sales service under this Tariff or (2) join another pool that is not affiliated with the suspended Pool Administrator.

3.8 Reconciliation of Monthly Volumes

The difference between calendar month supply and calendar month pool consumption as adjusted for net unbilled volumes and any prior month billing corrections, shall be reconciled at least once per year. Equitable, may reconcile the difference more frequently if the cumulative difference is deemed significant. The cumulative difference shall be reconciled in the first full calendar month following its determination by adjusting the Pool Administrator's Required Nomination Quantity on each day in the adjustment month by an amount equal to the cumulative difference divided by the number of days in the adjustment month.

Section 3.9 Supplier Exiting System

Prior to exiting the Company's system a Pool Administrator must provide 60 days written notice to the Company and its customers. The pool administrator must return or reassign capacity in accordance with Section 3.1 of this rate schedule. If the pool administrator discontinues service or defaults prior to the expiration of its contract with the customer, the Company shall provide service to the customer at the applicable tariff sales rate commencing with the next billing cycle. The customer shall be charged the rate negotiated with the discontinuing or defaulting pool administrator for the remainder of the billing cycle. Any difference between the cost incurred by the Company and the amount payable by the retail gas customer shall be recovered from the pool administrator.

4. OTHER

(C)

In the event of the Pool Administrator's nonpayment of any of these charges, the transportation customer participating in the nonpaying Pool Administrator's pool shall be liable to the Company for its share of such charges.

(C) Indicates Change.

EQUITABLE GAS COMPANY

SUPPLEMENT NO. 60
TO GAS - PA. P.U.C. NO. 22
THIRD REVISED PAGE NO. 77
CANCELING SECOND PAGE NO. 77

RATE GPS- GENERAL POOLING SERVICE (CONTINUED)

4. OTHER

(C)

In the event of the Pool Administrator's nonpayment of any of these charges, the transportation customer participating in the nonpaying Pool Administrator's pool shall be liable to the Company for its share of such charges.

(C) Indicates Change.

ISSUED: June 30, 2008

M. ELISE HYLAND
PRESIDENT

EFFECTIVE: August 29, 2008

STANDBY SERVICE

Firm Standby Service is mandatory for essential human needs customers served under any delivery service except where the customer has Alternate Fuel Capability, or the customer has received an assignment of Company's upstream pipeline capacity. Firm Standby Service is optional for other customers upon request. For a customer who does not receive Firm Standby Service, daily consumption in excess of daily deliveries on customer's behalf, in excess of customer's Maximum Daily Firm Requirement (MDFR) or in excess of a customer's Maximum Daily Quantity (MDQ) is interruptible.

(C)

Firm Standby Service is available pursuant to the following terms and conditions and subject to availability of sufficient gas supply and system capacity.

1. Customers who require natural gas service through a single meter of 20,000 Mcf or more annually:

Customers who desire Firm Standby Service must also nominate a MDFR for the entire year. MDFR nominations must be specified in the customer's service agreement.

The MDFR nominations must be at a level which is reasonably sufficient to meet the customer's peak winter season demand. The Company reserves the right to require revisions to nominations which it has determined are insufficient. The Company at its discretion may allow customers to nominate MDFRs which are below anticipated winter season peak demands and in such cases may require separate piping and/or metering to segregate the customer's firm and interruptible loads and may require the customer to reimburse the Company for any cost incurred in making the necessary modifications.

2. Customers who require annual natural gas service through a single meter of less than 20,000 Mcf:

(C) Indicates Change.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

STANDBY SERVICE - (CONTINUED)

Customers receiving Firm Standby Service shall pay a Standby Reservation charge as described below.

Monthly Reservation Charges (charged each month of the year):

Large Volume Customers

Customers who require natural gas service through a single meter for 20,000 Mcf annually or more:

\$9.21 per Mcf of MDFR (D)

Customers who require annual natural gas service of less than 20,000 Mcf:

\$0.88 per Mcf of throughput (D)

The Reservation charges shall be redetermined annually during the course of the Company's 1307(f) proceeding. The Standby rate will be determined to provide a credit to Rider A gas costs associated with the capacity utilized to provide firm standby services to transportation customers. This credit amount shall be credited to Purchased Gas Cost for the purpose of determining the "E" factor. (C)

A customer may discontinue Firm Standby Service, if the Company, in its sole discretion, can obtain any decrease in its transportation and storage entitlements or any combination thereof required to accommodate such transfer from Standby service and the customer provides written notice to the Company at least twelve months prior to the expiration date of the customer's Service Agreement. The Company retains the right to waive this charge, in whole or in part, for customers with competitive options. (C)

(D) Indicates Decrease. (C) Indicates Change.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

STATE TAX ADJUSTMENT SURCHARGE

(C)

There shall be added to or subtracted from each gas bill, under tariff rate schedules RS, GSS, GSL, FDS, GDS, DDS, and GL for service on and after June 30, 2008 (0.00)% of the bills as otherwise computed in accordance with the Company's tariff. (D)

The above surcharge will be recomputed, using the elements prescribed by the Commission in accordance with the Commission's State Tax Adjustment Procedure at 52 Pa. Code Section 69.51 et seq.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation. If the recomputed surcharge is less than the one in effect, the Company will, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing. If the recomputed surcharge is more than the one then in effect the Company may submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

(D) Indicates Decrease. (C) Indicates Change

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

RIDER A - (Continued)

The "E" factor shall also provide for refund or recovery of amounts necessary to adjust for differences between actual over and under collections and estimated over and under collections included in the "E" factor of the previous PGC.

Interest shall be computed monthly at the appropriate rate as provided for in Section 1308(d) of the Public Utility Code from the month the over or under collection occurs to the effective month such over collection is refunded or such under collection is recouped.

Supplier refunds received applicable to PGC Rate Schedules will be included in the calculation of "E" with interest added at the annual rate of six percentum (6 percent) calculated in accordance with the foregoing procedure beginning with the months such refund is received by the Company.

For the purpose of computing monthly over and undercollections to be reflected in "E" a Standby Service credit, as well as a Balancing credit will be deducted from Purchased Gas Cost. (C)

"S" -- projected Mcf of gas to be billed under PGC Rate Schedules during the computation year.

"Purchased Gas" -- the volume of gas projected to be purchased by the Company and delivered to customers under PGC Rate Schedules, 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.

"The Current PGC" -- is \$14.15 per Mcf, comprised of a C factor of \$12.17 and an E factor of \$1.98. (I)

"Computation Year" -- the projected year during which the PGC will be in effect.

The application of the purchased gas cost shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the purchased gas cost and the charges included herein.

(C) Indicates Change. (I) Indicates Increase.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

Rider C Surcharge

(C)

- I. This rider establishes a surcharge in accordance with the settlement approved by the Public Utility Commission in the Company's 2006 1307(f) proceeding at Docket No. R-00061295 in which certain gas related costs are to be recovered in base rates and not in the Purchased Gas Cost rate.
- II. This Rider shall be applicable to Rates RS, GSS, GSL, FDS, and GDS customers that are billed at maximum tariff rates. Each year Rider C shall be calculated to recover certain projected gas costs as allowed in the aforementioned settlement. Each year also the actual gas costs will be reconciled with the actual recoveries and any over/under recoveries of costs will be reflected in the determination of the new Rider C rate.
- III. Rate: \$.01 per Mcf
- IV. Recoveries from Rider C will be credited back to the PGC in the Company's annual 1307(f) filings.

(C) Indicates Change.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

RIDER D

UNIVERSAL SERVICE AND ENERGY CONSERVATION

- I. This rider provides a method of recovery of costs associated with the Company's Universal Service and Energy Conservation programs.
- II. This Rider shall be applicable to Rate RS, and residential customers receiving service under rate FDS except customers enrolled in the CAP. The rate will be adjusted quarterly and filed with the Company's quarterly gas cost filings to be effective one (1) day after filing. (C)
- III. Rate: \$1.44 per Mcf (I)
- Each PGC quarter, Rider D shall be calculated to recover projected Customer Assistance Program ("CAP") Credits plus the amortization of pre-CAP customer arrearages, administrative costs of providing the CAP program including reporting expenses and costs incurred for the retention of independent consultants to comply with the Commission's regulations. (C)
- Net CAP costs will be calculated as follows: The average annual usage of current CAP customers and projected CAP additions will be multiplied by the projected quarterly residential sales rate plus applicable monthly meter charges for current and additional CAP customers, less projected average CAP customer payments and average LIHEAP grants, plus CAP administrative costs, plus average pre-program arrearages not covered by the Company's settlement at Docket No. R-00994784 (DROP Settlement). Net program costs will be divided by projected non-CAP residential throughput. (C)
- IV. Annual Reconciliation: Each August, actual total CAP costs will be reconciled with actual total CAP recoveries. Any over/under recoveries of CAP costs will be reflected in the determination of the new Rider D rate effective one (1) day after filing on October 1 of each year. (C)

(C) Indicates Change. (I) Indicates Increase.

ISSUED: June 30, 2008

EFFECTIVE: August 29, 2008

M. ELISE HYLAND
PRESIDENT

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

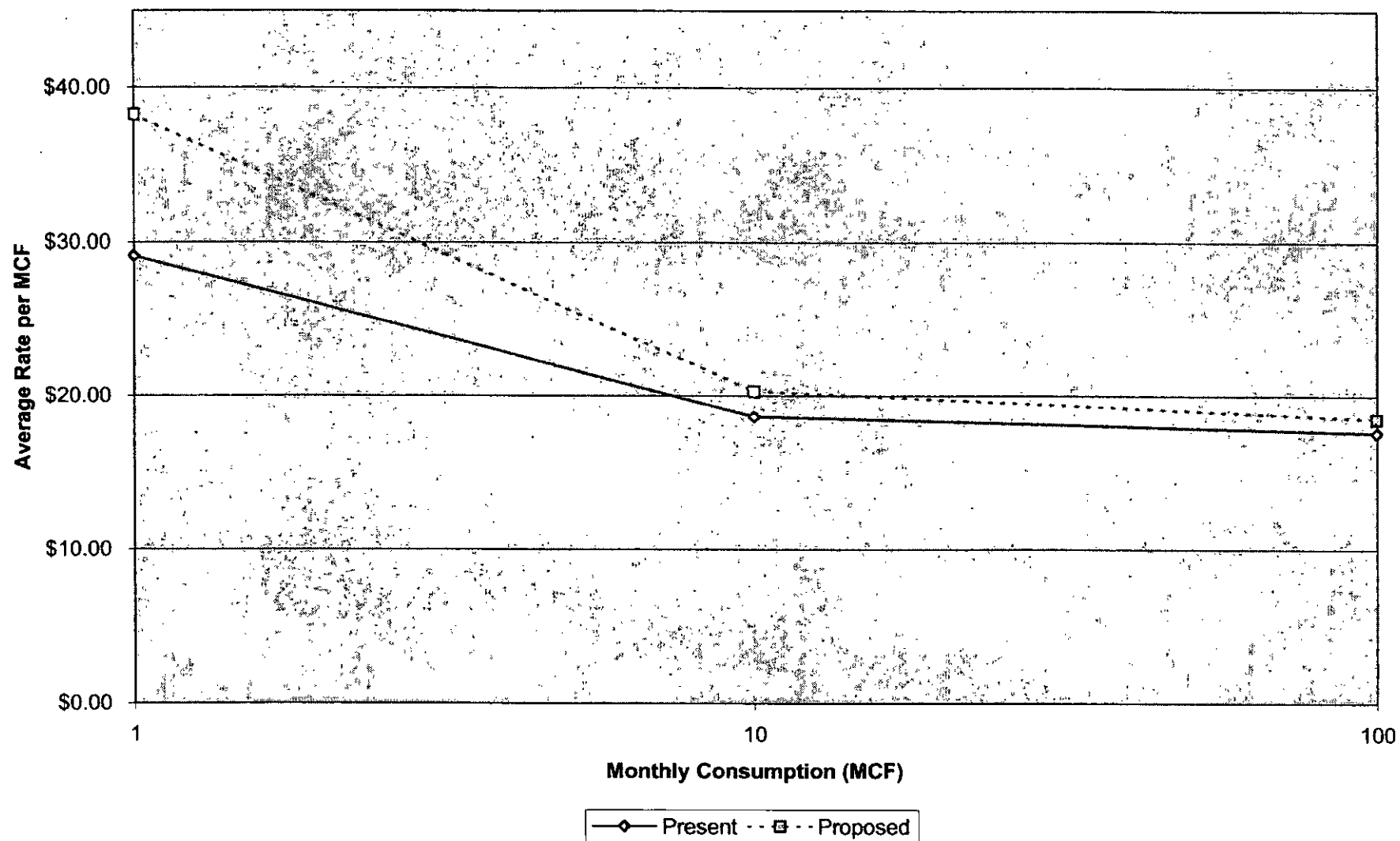
7. Supply a graph of present and proposed base rates on hyperbolic cross section paper.

Response:

Please see attached graphs.

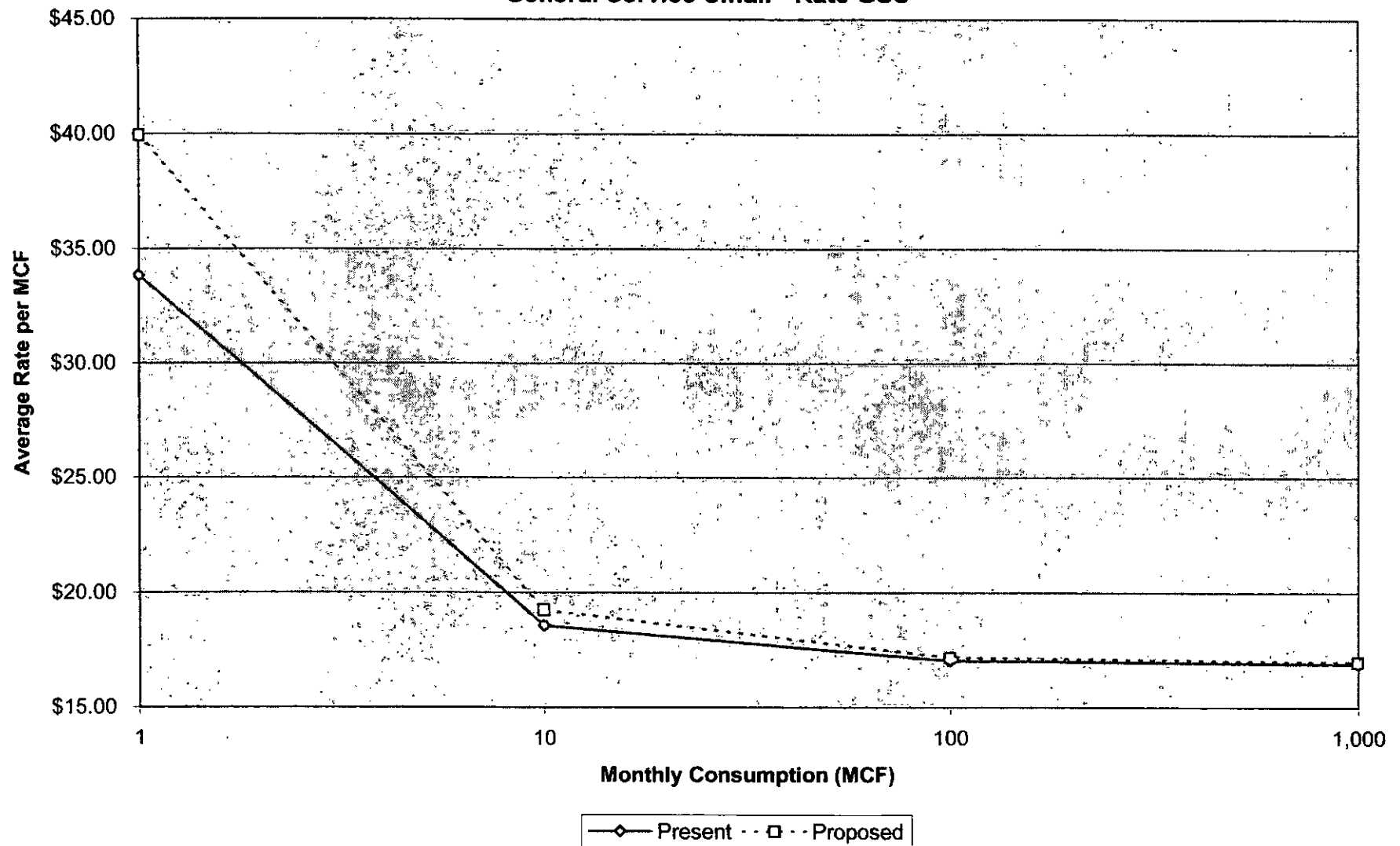
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Residential Service - Rate RS**

Exhibit IV
Item 53.53 IV.B.7
Page 1 of 9



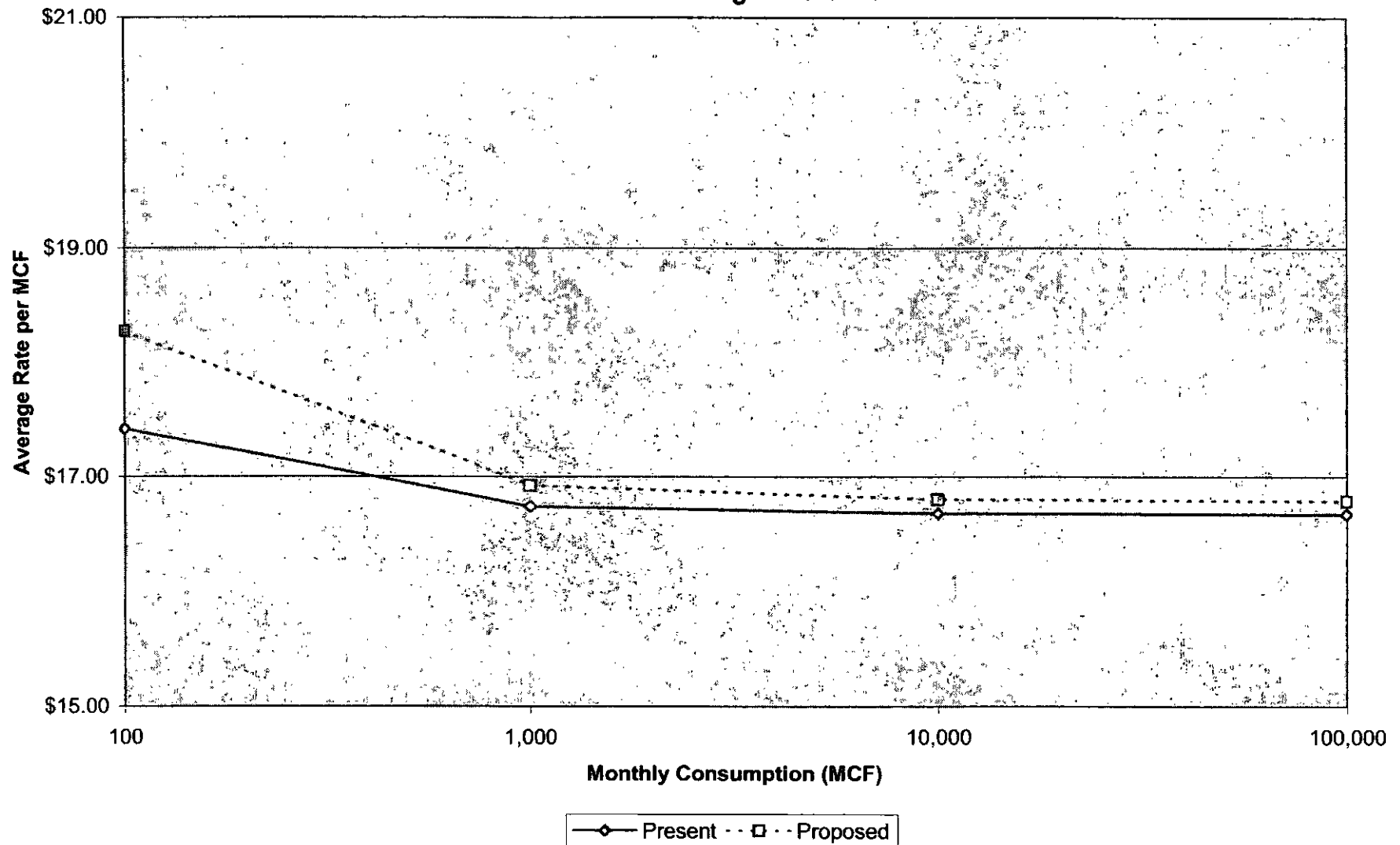
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
General Service Small - Rate GSS**

Exhibit IV
Item 53.53 IV.B.7
Page 2 of 9

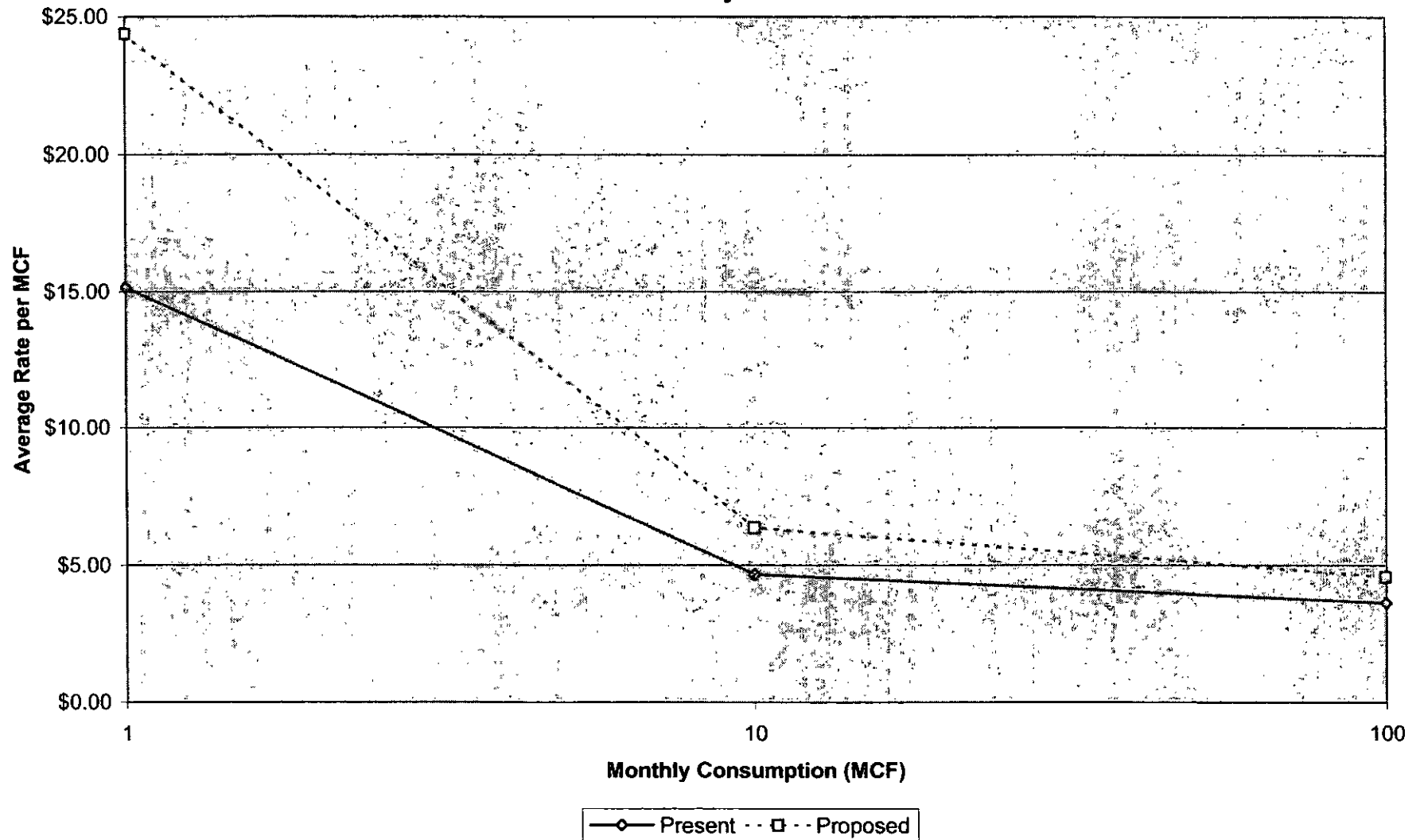


**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
General Service Large - Rate GSL**

Exhibit IV
Item 53.53 IV.B.7
Page 3 of 9



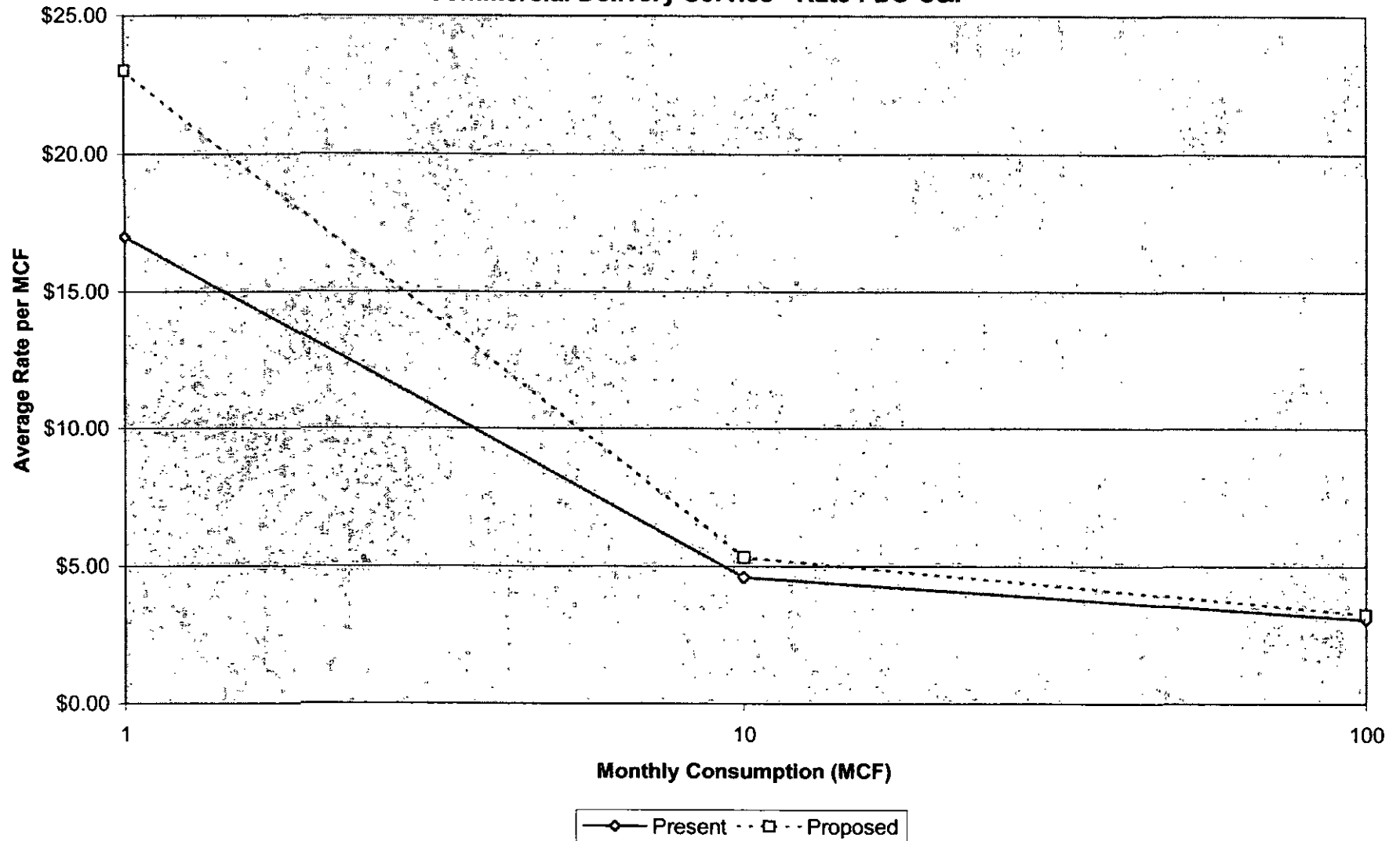
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Residential Delivery Service - Rate FDS**



**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES**

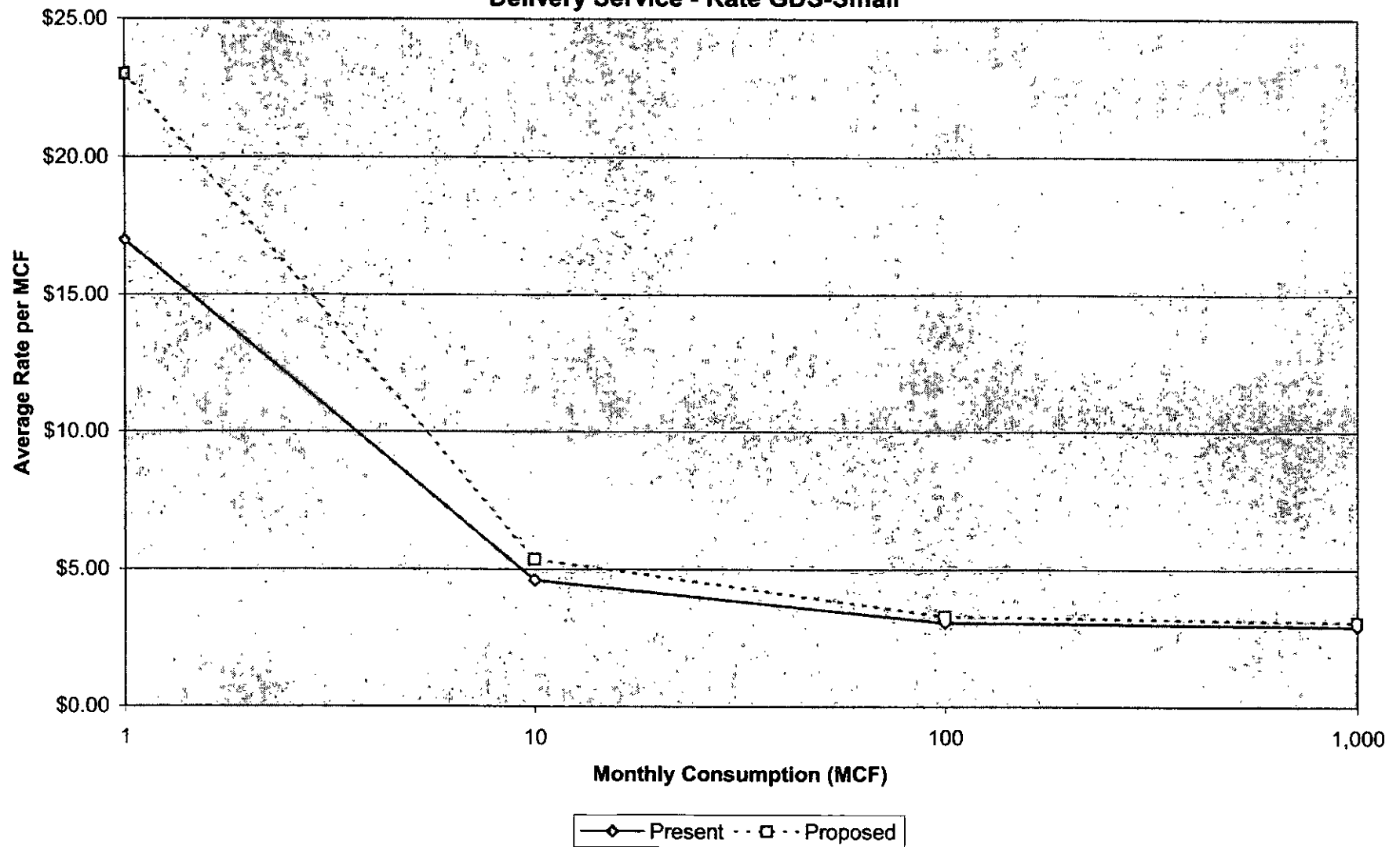
Exhibit IV
Item 53.53 IV.B.7
Page 5 of 9

Commercial Delivery Service - Rate FDS-C&I



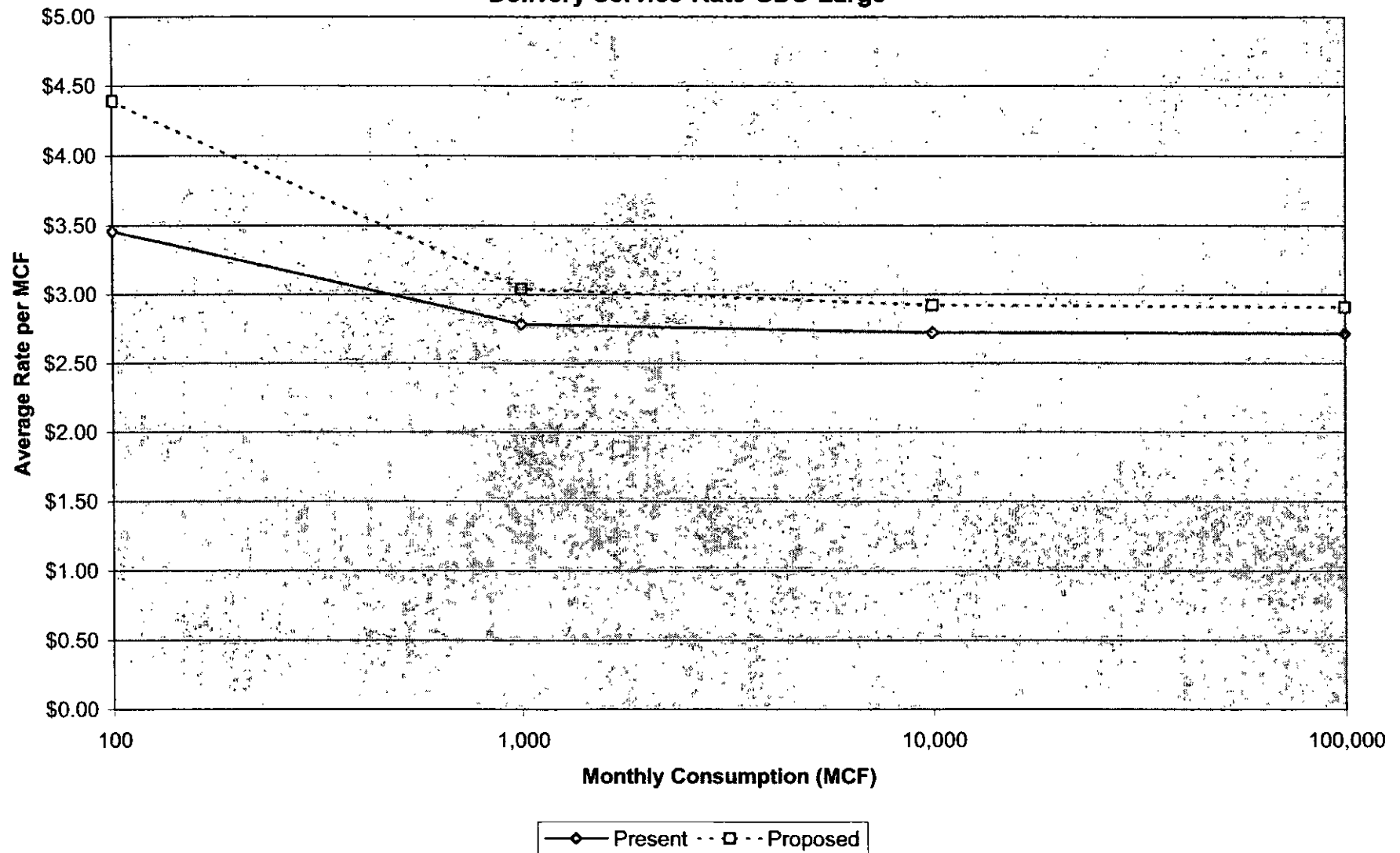
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Delivery Service - Rate GDS-Small**

Exhibit IV
Item 53.53 IV.B.7
Page 6 of 9



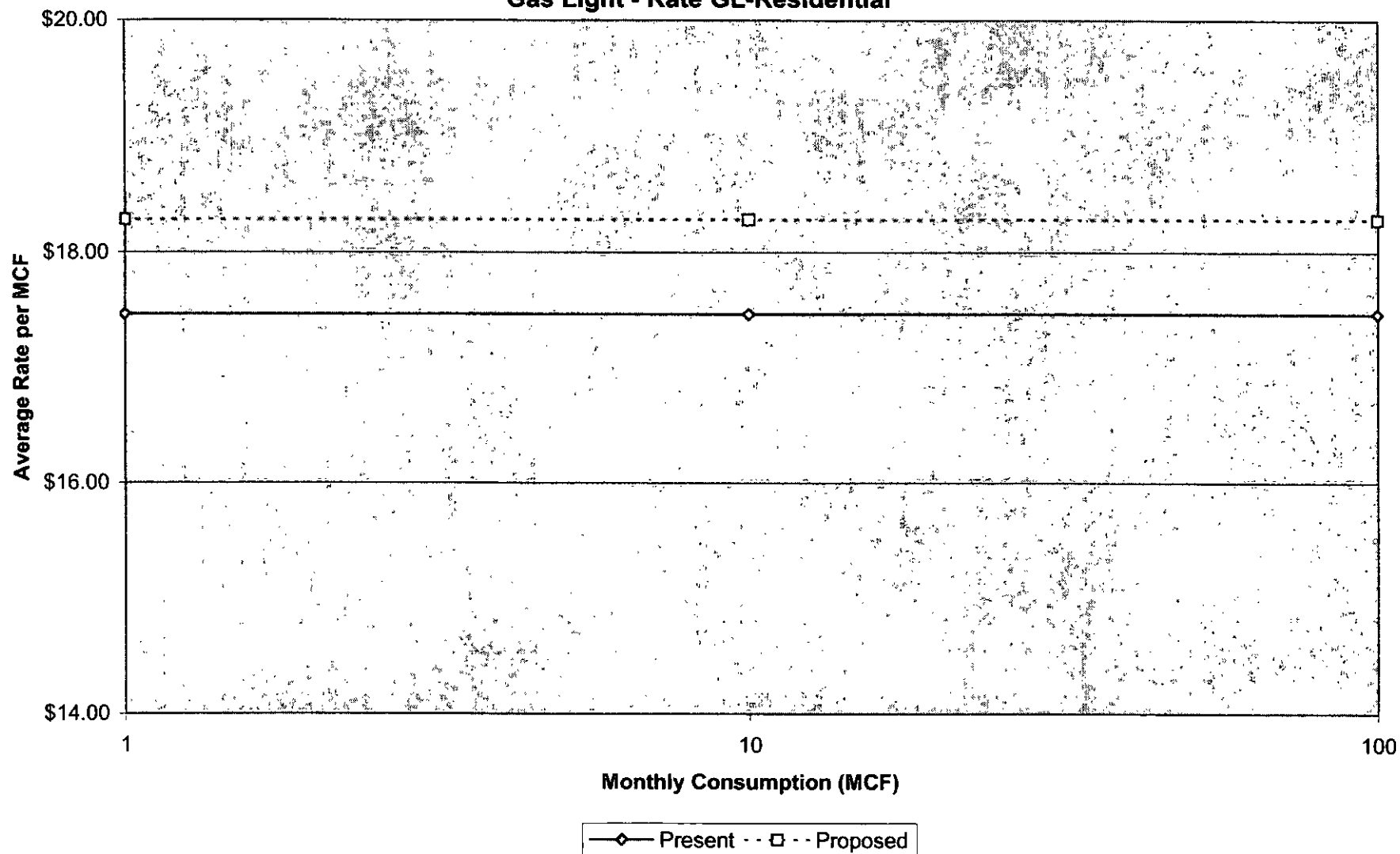
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Delivery Service-Rate GDS-Large**

Exhibit IV
Item 53.53 IV.B.7
Page 7 of 9



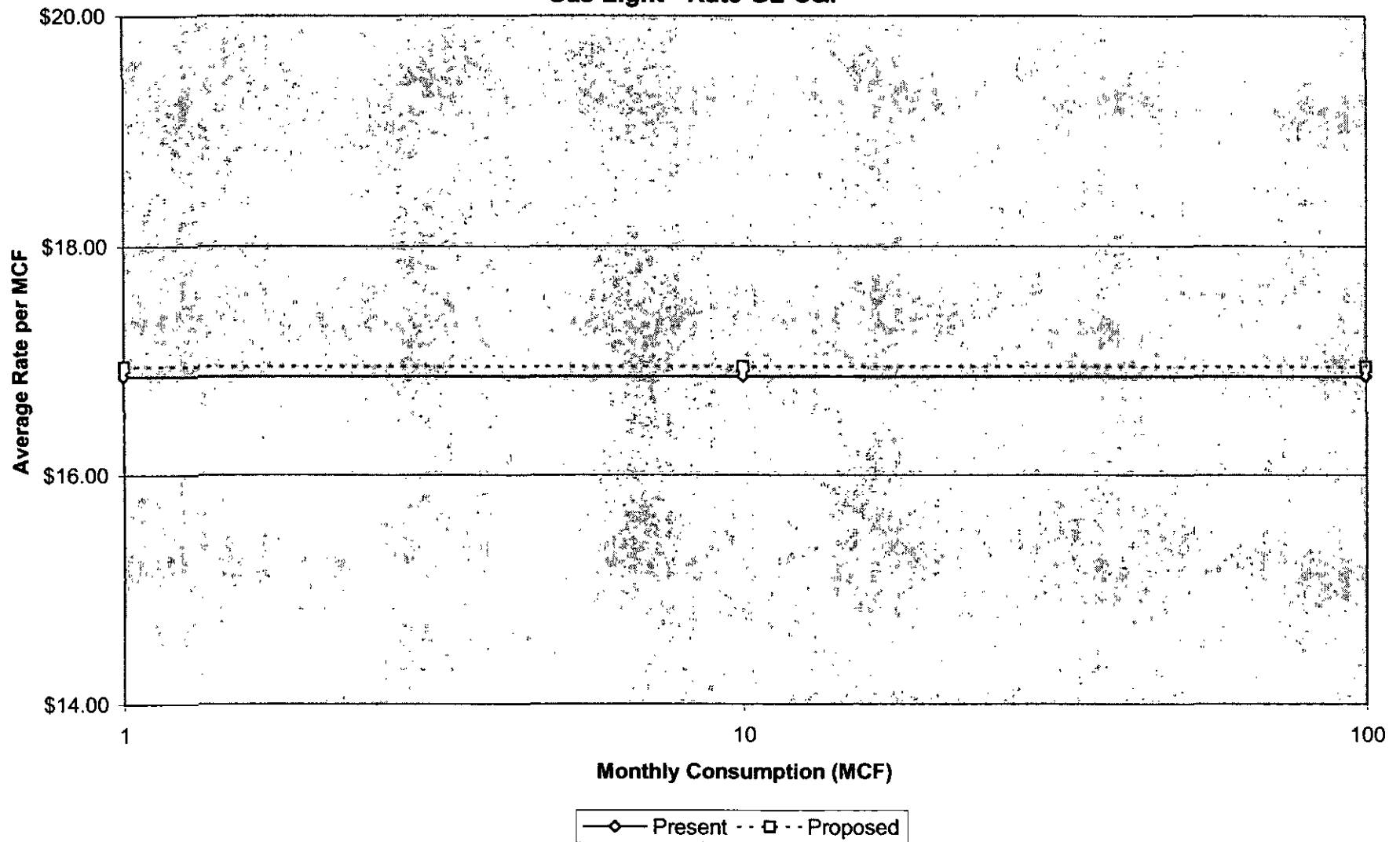
**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Gas Light - Rate GL-Residential**

Exhibit IV
Item 53.53 IV.B.7
Page 8 of 9



**EQUITABLE GAS COMPANY
PRESENT AND PROPOSED RATES
Gas Light - Rate GL-C&I**

Exhibit IV
Item 53.53 IV.B.7
Page 9 of 9



Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

8. FCC, FERC or Commission orders or rulings the Gas System Facilities and Gas Service Areas. The map should include transmission lines, distribution lines, other companies' lines interconnecting with the interconnecting points clearly designated, major compressor stations, gas storage areas and gas storage lines. The normal direction of gas flow within the transmission system should be indicated by arrows. Separate service areas within the system should be clearly designated.

Response:

Please refer to the attachment in Item I-C-2.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

9. Supply a cost analysis supporting minimum charges for all tariffs which contain demand charges.

Response:

Please see attached.

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 1 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Summary</u>				
1 Rate Base- Distribution function	166,215	156,276	4,268	5,671
2 Rate Base- OnSite function	42,514	35,026	3,108	4,380
3	208,729	191,302	7,377	10,051
4 Rate of Return	8.89%	8.89%	8.89%	8.89%
5 Return on rate base	18,556	17,007	656	894
6 Income Tax gross-up	9,137	8,374	323	440
7 Operating expenses- Distribution	20,185	17,469	1,909	806
8 Operating expenses- OnSite	54,869	48,456	2,905	3,508
9 Depreciation expense- Distribution	8,728	8,191	192	345
10 Depreciation expense- OnSite	4,060	3,422	292	347
11 Additional expense	1,103	1,103	0	0
12	116,639	104,022	6,276	6,340
13 Average Bills X 1000	3,084	2,871	191	22
14 Average Monthly Cost	\$37.82	\$36.23	\$32.88	\$286.67

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 2 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Details</u>				
<u>Distribution Function</u>				
15 Mains- Cost	76,899	71,588	4,760	551
16 Mains- Acc Depr	(21,913)	(20,399)	(1,356)	(157)
17 Mains- ADIT	<u>(9,478)</u>	<u>(8,829)</u>	<u>(581)</u>	<u>(68)</u>
18	45,508	42,360	2,822	327
19 Services- Cost	226,432	213,758	2,209	10,465
20 Services- Acc Depr	(83,524)	(78,849)	(815)	(3,860)
21 Services- ADIT	<u>(27,915)</u>	<u>(26,362)</u>	<u>(270)</u>	<u>(1,283)</u>
22	114,993	108,547	1,124	5,321
23 Other Rate Base	5,714	5,369	322	23
24 Total Rate Base	<u>166,215</u>	<u>156,276</u>	<u>4,268</u>	<u>5,671</u>
<u>Mains</u>				
25 Return on Rate Base	4,046	3,766	251	29
26 Income Tax gross-up	1,992	1,854	124	14
27 Maintenance of Mains	928	864	57	7
28 Mains & Services expense	549	511	34	4
29 Mains Depreciation exp	<u>1,176</u>	<u>1,095</u>	<u>73</u>	<u>8</u>
30	8,690	8,089	539	62
<u>Services</u>				
31 Return on Rate Base	10,223	9,650	100	473
32 Income Tax gross-up	5,034	4,752	49	233
33 Maintenance of Services	0	0	0	0
34 Mains & Services expense	1,617	1,526	16	75
35 Services Depreciation exp	<u>5,815</u>	<u>5,489</u>	<u>57</u>	<u>269</u>
36	22,688	21,417	222	1,049
<u>Balance of Distribution</u>				
37 Return on Rate Base	508	477	29	2
38 Income Tax gross-up	250	235	14	1
39 Uncollectible Accounts	0	0	0	0
40 Operating & Maintenance	17,091	14,568	1,802	721
41 Depreciation expense	<u>1,737</u>	<u>1,607</u>	<u>62</u>	<u>68</u>
42	19,587	16,887	1,907	792
43 Total Distribution Customer	<u>50,965</u>	<u>46,394</u>	<u>2,667</u>	<u>1,904</u>

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 3 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Details (Continued)</u>				
<u>OnSite Function</u>				
44 Meters- Cost	26,983	18,739	2,764	5,480
45 Meters- Acc Depr	(12,975)	(9,011)	(1,329)	(2,635)
46 Meters- ADIT	0	0	0	0
47	14,008	9,728	1,435	2,845
48 Other Rate Base	28,507	25,298	1,673	1,535
49 Total Rate Base	42,514	35,026	3,108	4,380
50 Meters / Utility Plant	46.7%	40.4%	67.6%	74.8%
<u>Meters</u>				
51 Return on Rate Base	1,245	865	128	253
52 Income Tax gross-up	613	426	63	125
53 Meters expense	6,062	4,193	685	1,184
54 Maintenance of Meters	107	74	12	21
55 Meters Depreciation exp	796	553	82	162
56	8,824	6,110	969	1,744
<u>Balance of OnSite</u>				
57 Return on Rate Base	2,534	2,249	149	136
58 Income Tax gross-up	1,248	1,107	73	67
59 Meter Reading	587	546	36	4
60 Customer Records and Collection	10,270	9,561	636	74
61 Uncollectible Accounts	25,050	23,515	540	995
62 Operating & Maintenance	12,793	10,567	996	1,230
63 Depreciation expense	3,264	2,869	210	185
64 Additional expense	1,103	1,103	0	0
65	56,850	51,518	2,640	2,692
66 Total OnSite Customer	65,674	57,628	3,609	4,436
<u>Summary of Customer Costs</u>				
67 Distribution Customer	50,965	46,394	2,667	1,904
68 Onsite Customer	65,674	57,628	3,609	4,436
69 Total Customer Component	116,639	104,022	6,276	6,340
70 Average Bills X 1000	3,084	2,871	191	22
71 Average Monthly Cost	\$37.82	\$36.23	\$32.88	\$286.67

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: \$ 53.53 (A)
 PRESENT RATES - DESIGN DAY METHOD
 SHEET 4 OF 4

		Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
Summary of Monthly Customer Costs Per Customer					
<u>Mains</u>					
72	Return / Tax	\$1.96	\$1.96	\$1.96	\$1.96
73	Depreciation	0.48	0.48	0.48	0.48
74	Operating expense	<u>0.38</u>	<u>0.38</u>	<u>0.38</u>	<u>0.38</u>
75		2.82	2.82	2.82	2.82
<u>Services</u>					
76	Return / Tax	4.95	5.02	0.78	31.92
77	Depreciation	0.52	0.53	0.08	3.38
78	Operating expense	<u>1.89</u>	<u>1.91</u>	<u>0.30</u>	<u>12.15</u>
79		7.36	7.46	1.16	47.45
<u>Meters</u>					
80	Return / Tax	0.60	0.45	1.00	17.07
81	Depreciation	2.00	1.49	3.65	54.48
82	Operating expense	<u>0.26</u>	<u>0.19</u>	<u>0.43</u>	<u>7.31</u>
83		2.86	2.13	5.08	78.86
<u>Other Rate Base (Return, Tax, Depr)</u>					
84	Return / Tax	1.47	1.42	1.39	9.35
85	Depreciation	<u>1.62</u>	<u>1.56</u>	<u>1.43</u>	<u>11.44</u>
86		3.09	2.98	2.82	20.78
87	Uncollectible accounts	8.12	8.19	2.83	44.99
88	Meter Reading	0.19	0.19	0.19	0.19
89	Customer Records and Collection	3.33	3.33	3.33	3.33
90	Other Operating & Maint	9.69	8.75	14.66	88.24
91	Additional expense	<u>0.36</u>	<u>0.38</u>	<u>0.00</u>	<u>0.00</u>
92		<u>\$37.82</u>	<u>\$36.23</u>	<u>\$32.88</u>	<u>\$286.67</u>

EQUITABLE COMPANY
DOCKET NO. 08-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 1 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Summary</u>				
1 Rate Base- Distribution function	118,374	111,782	1,297	5,296
2 Rate Base- OnSite function	42,514	35,026	3,108	4,380
3	160,889	146,808	4,405	9,676
4 Rate of Return	8.89%	8.89%	8.89%	8.89%
5 Return on rate base	14,303	13,051	392	860
6 Income Tax gross-up	7,043	6,426	193	424
7 Operating expenses- Distribution	15,799	13,457	1,581	761
8 Operating expenses- OnSite	54,869	48,456	2,905	3,508
9 Depreciation expense- Distribution	7,109	6,686	91	332
10 Depreciation expense- OnSite	4,060	3,422	292	347
11 Additional expense	1,103	1,103	0	0
12	104,287	92,602	5,453	6,232
13 Average Bills X 1000	3,084	2,871	191	22
14 Average Monthly Cost	\$33.81	\$32.25	\$28.57	\$281.78

EQUITABLE COMPANY
DOCKET NO. 2008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (8)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 2 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Details</u>				
<u>Distribution Function</u>				
15 Mains- Cost	0	0	0	0
16 Mains- Acc Depr	0	0	0	0
17 Mains- ADIT	0	0	0	0
18	0	0	0	0
19 Services- Cost	226,432	213,758	2,209	10,465
20 Services- Acc Depr	(83,524)	(78,849)	(815)	(3,860)
21 Services- ADIT	(27,922)	(26,370)	(267)	(1,285)
22	114,986	108,539	1,127	5,320
23 Other Rate Base	3,388	3,243	169	(24)
24 Total Rate Base	118,374	111,782	1,297	5,296
<u>Mains</u>				
25 Return on Rate Base	0	0	0	0
26 Income Tax gross-up	0	0	0	0
27 Maintenance of Mains	0	0	0	0
28 Mains & Services expense	0	0	0	0
29 Mains Depreciation exp	0	0	0	0
30	0	0	0	0
<u>Services</u>				
31 Return on Rate Base	10,222	9,649	100	473
32 Income Tax gross-up	5,033	4,751	49	233
33 Maintenance of Services	0	0	0	0
34 Mains & Services expense	1,617	1,526	16	75
35 Services Depreciation exp	5,815	5,489	57	269
36	22,687	21,416	222	1,049
<u>Balance of Distribution</u>				
37 Return on Rate Base	301	288	15	(2)
38 Income Tax gross-up	148	142	7	(1)
39 Uncollectible Accounts	0	0	0	0
40 Operating & Maintenance	14,182	11,931	1,565	687
41 Depreciation expense	1,294	1,197	34	63
42	15,926	13,558	1,622	747
43 Total Distribution Customer	38,613	34,974	1,844	1,796

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (9)(B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 3 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
<u>Customer Costs- Details (Continued)</u>				
<u>OnSite Function</u>				
44 Meters- Cost	26,983	18,739	2,764	5,480
45 Meters- Acc Depr	(12,975)	(9,011)	(1,329)	(2,635)
46 Meters- ADIT	0	0	0	0
47	14,008	9,728	1,435	2,845
48 Other Rate Base	28,507	25,298	1,673	1,535
49 Total Rate Base	42,514	35,026	3,108	4,380
50 Meters / Utility Plant	46.7%	40.4%	67.6%	74.8%
<u>Meters</u>				
51 Return on Rate Base	1,245	865	128	253
52 Income Tax gross-up	613	426	63	125
53 Meters expense	6,062	4,193	685	1,184
54 Maintenance of Meters	107	74	12	21
55 Meters Depreciation exp	796	553	82	162
56	8,824	6,110	969	1,744
<u>Balance of OnSite</u>				
57 Return on Rate Base	2,534	2,249	149	136
58 Income Tax gross-up	1,248	1,107	73	67
59 Meter Reading	587	546	36	4
60 Customer Records and Collection	10,270	9,561	636	74
61 Uncollectible Accounts	25,050	23,515	540	995
62 Operating & Maintenance	12,793	10,567	996	1,230
63 Depreciation expense	3,264	2,869	210	185
64 Additional expense	1,103	1,103	0	0
65	56,850	51,518	2,640	2,692
66 Total OnSite Customer	65,674	57,628	3,609	4,436
<u>Summary of Customer Costs</u>				
67 Distribution Customer	38,613	34,974	1,844	1,796
68 Onsite Customer	65,674	57,628	3,609	4,436
69 Total Customer Component	104,287	92,602	5,453	6,232
70 Average Bills X 1000	3,084	2,871	191	22
71 Average Monthly Cost	\$33.81	\$32.25	\$28.57	\$281.78

EQUITABLE COMPANY
DOCKET NO. 008-2029325
COST OF SERVICE STUDY- FUTURE TEST YEAR ENDED 12/31/2008

ITEM: § 53.53 (B)
 PRESENT RATES - PEAK AND AVG. METHOD
 SHEET 4 OF 4

	Total	Residential Service (RS)	General Service - Small (GSS)	General Service - Large (GSL)
Summary of Monthly Customer Costs Per Customer				
<u>Mains</u>				
72 Return / Tax	\$0.00	\$0.00	\$0.00	\$0.00
73 Depreciation	0.00	0.00	0.00	0.00
74 Operating expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
75	0.00	0.00	0.00	0.00
<u>Services</u>				
76 Return / Tax	4.95	5.02	0.78	31.91
77 Depreciation	0.52	0.53	0.08	3.38
78 Operating expense	<u>1.89</u>	<u>1.91</u>	<u>0.30</u>	<u>12.15</u>
79	7.36	7.46	1.16	47.44
<u>Meters</u>				
80 Return / Tax	0.60	0.45	1.00	17.07
81 Depreciation	2.00	1.49	3.65	54.48
82 Operating expense	<u>0.26</u>	<u>0.19</u>	<u>0.43</u>	<u>7.31</u>
83	2.86	2.13	5.08	78.86
<u>Other Rate Base (Return, Tax, Depr)</u>				
84 Return / Tax	1.37	1.32	1.28	9.07
85 Depreciation	<u>1.48</u>	<u>1.42</u>	<u>1.28</u>	<u>11.22</u>
86	2.85	2.74	2.56	20.29
87 Uncollectible accounts	8.12	8.19	2.83	44.99
88 Meter Reading	0.19	0.19	0.19	0.19
89 Customer Records and Collection	3.33	3.33	3.33	3.33
90 Other Operating & Maint	8.75	7.84	13.42	86.68
91 Additional expense	0.36	0.38	0.00	0.00
92	<u>\$33.81</u>	<u>\$32.25</u>	<u>\$28.57</u>	<u>\$281.78</u>

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

10. Supply a cost analysis supporting demand charges for all tariffs which contain demand charges.

Response:

The demand charges contained in the presently effective tariff rate schedules are gas cost related which were filed and approved by the Pennsylvania Public Utility Commission in Equitable's 2007 Section 1307(f) proceeding at Docket No. R-00072111 and the cost information from that proceeding is incorporated by reference and will be provided to any party requesting same.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

11. Supply net fuel clause adjustment by month for the test year.

Response:

Please refer to response to Item III-E-18.

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

12. Supply a tabulation of base rate bills for each rate schedule comparing the existing rates to proposed rates. The tabulation should show the dollar difference and the per cent increase or decrease.

Response:

See attached.

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Monthly Usage (Mcf)	Rate RS		Increase/(Decrease)	
	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 11.65	\$ 20.00	\$ 8.35	72%
1	29.11	38.29	\$ 9.17	32%
2	46.58	56.57	\$ 9.99	21%
3	64.04	74.86	\$ 10.81	17%
5	98.97	111.43	\$ 12.46	13%
8	151.36	166.29	\$ 14.92	10%
10	186.29	202.86	\$ 16.57	9%
15	273.61	294.29	\$ 20.67	8%
20	360.94	385.72	\$ 24.78	7%
25	448.26	477.15	\$ 28.89	6%
7.5	130.982	137.14		
	\$ 142.63	\$ 157.14	\$ 14.51	10.17%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GSS - Small < 500 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 17.00	\$ 23.00	\$ 6.00	35%
1	33.86	39.95	\$ 6.08	18%
2	50.72	56.89	\$ 6.17	12%
3	67.59	73.84	\$ 6.25	9%
5	101.31	107.73	\$ 6.42	6%
8	151.89	158.57	\$ 6.67	4%
10	185.62	192.46	\$ 6.84	4%
15	269.93	277.19	\$ 7.26	3%
20	354.24	361.92	\$ 7.68	2%
25	438.55	446.65	\$ 8.10	2%
30	522.85	531.38	\$ 8.53	2%
50	860.09	870.30	\$ 10.21	1%
100	1,703.18	1,717.60	\$ 14.42	1%
200	3,389.36	3,412.20	\$ 22.84	1%
13.6	229.32	230.47		
	\$ 246.32	\$ 253.47	\$ 7.14	2.90%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GSS - Large 500 - 1,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 28.00	\$ 34.00	\$ 6.00	21%
1	44.86	50.95	\$ 6.08	14%
2	61.72	67.89	\$ 6.17	10%
3	78.59	84.84	\$ 6.25	8%
5	112.31	118.73	\$ 6.42	6%
8	162.89	169.57	\$ 6.67	4%
10	196.62	203.46	\$ 6.84	3%
15	280.93	288.19	\$ 7.26	3%
20	365.24	372.92	\$ 7.68	2%
25	449.55	457.65	\$ 8.10	2%
30	533.85	542.38	\$ 8.53	2%
50	871.09	881.30	\$ 10.21	1%
100	1,714.18	1,728.60	\$ 14.42	1%
200	3,400.36	3,423.20	\$ 22.84	1%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GSL - Small 1,000-4,999 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 75.00	\$ 150.00	\$ 75.00	100%
1	91.66	166.77	\$ 75.11	82%
2	108.33	183.55	\$ 75.22	69%
3	124.99	200.32	\$ 75.32	60%
5	158.32	233.87	\$ 75.54	48%
8	208.32	284.18	\$ 75.86	36%
10	241.65	317.73	\$ 76.08	31%
15	324.97	401.60	\$ 76.62	24%
20	408.30	485.46	\$ 77.16	19%
25	491.62	569.33	\$ 77.70	16%
30	574.95	653.19	\$ 78.24	14%
50	908.25	988.65	\$ 80.40	9%
100	1,741.50	1,827.30	\$ 85.80	5%
200	3,408.00	3,504.60	\$ 96.60	3%
90	1,499.85	1,509.57		
	\$ 1,574.85	\$ 1,659.57	\$ 84.72	5.4%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GSL - Small 5,000-25,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 150.00	\$ 300.00	\$ 150.00	100%
1	166.66	316.77	\$ 150.11	90%
2	183.33	333.55	\$ 150.22	82%
3	199.99	350.32	\$ 150.32	75%
5	233.32	383.87	\$ 150.54	65%
8	283.32	434.18	\$ 150.86	53%
10	316.65	467.73	\$ 151.08	48%
15	399.97	551.60	\$ 151.62	38%
20	483.30	635.46	\$ 152.16	31%
25	566.62	719.33	\$ 152.70	27%
30	649.95	803.19	\$ 153.24	24%
50	983.25	1,138.65	\$ 155.40	16%
100	1,816.50	1,977.30	\$ 160.80	9%
200	3,483.00	3,654.60	\$ 171.60	5%
400	6,816.00	7,009.20	\$ 193.20	3%
1000	16,814.99	17,073.00	\$ 258.01	2%
2000	33,479.98	33,846.00	\$ 366.02	1%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GSL -Large > 25,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 800.00	\$ 1,600.00	\$ 800.00	100%
1	816.66	1,616.77	\$ 800.11	98%
2	833.33	1,633.55	\$ 800.22	96%
3	849.99	1,650.32	\$ 800.32	94%
5	883.32	1,683.87	\$ 800.54	91%
8	933.32	1,734.18	\$ 800.86	86%
10	966.65	1,767.73	\$ 801.08	83%
15	1,049.97	1,851.60	\$ 801.62	76%
20	1,133.30	1,935.46	\$ 802.16	71%
25	1,216.62	2,019.33	\$ 802.70	66%
30	1,299.95	2,103.19	\$ 803.24	62%
50	1,633.25	2,438.65	\$ 805.40	49%
100	2,466.50	3,277.30	\$ 810.80	33%
200	4,133.00	4,954.60	\$ 821.60	20%
400	7,466.00	8,309.20	\$ 843.20	11%
1000	17,464.99	18,373.00	\$ 908.01	5%
2000	34,129.98	35,146.00	\$ 1,016.02	3%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

	Rate GL Residential			Increase/(Decrease)	
	Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
	(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	1.8	\$ 31.44	\$ 32.91	\$ 1.48	5%
Maximum	1.8	62.87	65.83	\$ 2.96	5%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

	Rate GL Commercial			Increase/(Decrease)	
	Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
	(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	2.8	\$ 47.21	\$ 47.45	\$ 0.24	0%
Maximum	2.8	94.43	94.90	\$ 0.47	0%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate FDS - Residential			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 11.65	\$ 20.00	\$ 8.35	72%
1	15.16	24.38	\$ 9.22	61%
2	18.66	28.75	\$ 10.09	54%
3	22.17	33.13	\$ 10.96	49%
5	29.18	41.88	\$ 12.70	44%
8	39.70	55.01	\$ 15.30	39%
10	46.72	63.76	\$ 17.04	36%
15	64.25	85.64	\$ 21.39	33%
20	81.79	107.52	\$ 25.73	31%
25	99.32	129.40	\$ 30.08	30%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate FDS - Small < 500 Mcf Monthly			Increase/(Decrease)	
Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 17.00	\$ 23.00	\$ 6.00	35%
1	19.90	26.04	\$ 6.13	31%
2	22.81	29.07	\$ 6.26	27%
3	25.71	32.11	\$ 6.39	25%
5	31.52	38.18	\$ 6.66	21%
8	40.24	47.29	\$ 7.05	18%
10	46.04	53.36	\$ 7.32	16%
15	60.57	68.54	\$ 7.97	13%
20	75.09	83.72	\$ 8.63	11%
25	89.61	98.90	\$ 9.29	10%
30	104.13	114.08	\$ 9.95	10%
50	162.22	174.80	\$ 12.58	8%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate FDS - Large 1,000-5,000 Mcf Monthly Usage			Increase/(Decrease)	
Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 75.00	\$ 150.00	\$ 75.00	100%
1	77.71	152.86	\$ 75.16	97%
2	80.42	155.73	\$ 75.31	94%
3	83.12	158.59	\$ 75.47	91%
5	88.54	164.32	\$ 75.78	86%
8	96.66	172.90	\$ 76.24	79%
10	102.08	178.63	\$ 76.55	75%
15	115.61	192.95	\$ 77.33	67%
20	129.15	207.26	\$ 78.11	60%
25	142.69	221.58	\$ 78.89	55%
30	156.23	235.89	\$ 79.66	51%
50	210.38	293.15	\$ 82.77	39%
100	345.76	436.30	\$ 90.54	26%
200	616.51	722.60	\$ 106.09	17%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GDS - Small < 500 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 17.00	\$ 23.00	\$ 6.00	35%
1	19.90	26.07	\$ 6.16	31%
2	22.81	29.13	\$ 6.32	28%
3	25.71	32.20	\$ 6.48	25%
5	31.52	38.33	\$ 6.81	22%
8	40.24	47.53	\$ 7.29	18%
10	46.04	53.66	\$ 7.62	17%
15	60.57	68.99	\$ 8.42	14%
20	75.09	84.32	\$ 9.23	12%
25	89.61	99.65	\$ 10.04	11%
30	104.13	114.98	\$ 10.85	10%
50	162.22	176.30	\$ 14.08	9%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GDS - Large 500-1,000 Mcf Monthly Usage			Increase/(Decrease)	
Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 28.00	\$ 34.00	\$ 6.00	21%
1	30.90	37.07	\$ 6.16	20%
2	33.81	40.13	\$ 6.32	19%
3	36.71	43.20	\$ 6.48	18%
5	42.52	49.33	\$ 6.81	16%
8	51.24	58.53	\$ 7.29	14%
10	57.04	64.66	\$ 7.62	13%
15	71.57	79.99	\$ 8.42	12%
20	86.09	95.32	\$ 9.23	11%
25	100.61	110.65	\$ 10.04	10%
30	115.13	125.98	\$ 10.85	9%
50	173.22	187.30	\$ 14.08	8%
75	245.83	263.95	\$ 18.12	7%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GDS - Large 1,000-5,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 75.00	\$ 150.00	\$ 75.00	100%
1	77.71	152.89	\$ 75.19	97%
2	80.42	155.79	\$ 75.37	94%
3	83.12	158.68	\$ 75.56	91%
5	88.54	164.47	\$ 75.93	86%
8	96.66	173.14	\$ 76.48	79%
10	102.08	178.93	\$ 76.85	75%
15	115.61	193.40	\$ 77.78	67%
20	129.15	207.86	\$ 78.71	61%
25	142.69	222.33	\$ 79.64	56%
30	156.23	236.79	\$ 80.56	52%
50	210.38	294.65	\$ 84.27	40%
100	345.76	439.30	\$ 93.54	27%
200	616.51	728.60	\$ 112.09	18%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GDS - Large 5,000-25,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 150.00	\$ 300.00	\$ 150.00	100%
1	152.71	302.89	\$ 150.19	98%
2	155.42	305.79	\$ 150.37	97%
3	158.12	308.68	\$ 150.56	95%
5	163.54	314.47	\$ 150.93	92%
8	171.66	323.14	\$ 151.48	88%
10	177.08	328.93	\$ 151.85	86%
15	190.61	343.40	\$ 152.78	80%
20	204.15	357.86	\$ 153.71	75%
25	217.69	372.33	\$ 154.64	71%
30	231.23	386.79	\$ 155.56	67%
50	285.38	444.65	\$ 159.27	56%
100	420.76	589.30	\$ 168.54	40%
200	691.51	878.60	\$ 187.09	27%
400	1,233.02	1,457.20	\$ 224.18	18%
1000	2,857.56	3,193.00	\$ 335.44	12%
2000	5,565.12	6,086.00	\$ 520.88	9%

Equitable Gas Company - Pennsylvania Division
§ 53.53 IV. Rate Structure
B. Gas Utilities

Rate GDS -Large > 25,000 Mcf			Increase/(Decrease)	
Monthly Usage (Mcf)	Present Rate	Proposed Rate	Amount	Percent
(1)	(2)	(3)	(4=3-2)	(5=4/2)
Minimum	\$ 800.00	\$ 1,600.00	\$ 800.00	100%
1	802.71	1,602.89	\$ 800.19	100%
2	805.42	1,605.79	\$ 800.37	99%
3	808.12	1,608.68	\$ 800.56	99%
5	813.54	1,614.47	\$ 800.93	98%
8	821.66	1,623.14	\$ 801.48	98%
10	827.08	1,628.93	\$ 801.85	97%
15	840.61	1,643.40	\$ 802.78	95%
20	854.15	1,657.86	\$ 803.71	94%
25	867.69	1,672.33	\$ 804.64	93%
30	881.23	1,686.79	\$ 805.56	91%
50	935.38	1,744.65	\$ 809.27	87%
100	1,070.76	1,889.30	\$ 818.54	76%
200	1,341.51	2,178.60	\$ 837.09	62%
400	1,883.02	2,757.20	\$ 874.18	46%
1000	3,507.56	4,493.00	\$ 985.44	28%
2000	6,215.12	7,386.00	\$ 1,170.88	19%

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

13. Submit the projected demands for all customer classes for both purchased and produced gas for the three years following the test year filing.

Response:

Projected for the Year Ended December

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Residential	22,186,579	21,964,713	21,745,066
Commercial	13,576,919	13,576,919	13,576,919
Industrial	<u>10,867,462</u>	<u>10,867,462</u>	<u>10,867,462</u>
Total Throughput (Mcf)	46,630,960	46,409,094	46,189,447

Equitable Gas Company
§ 53.53 IV. Rate Structure
B. Gas Utilities

14. Supply an exhibit showing the gas deliveries to each customer class for the most recent 24-month period. The exhibit should identify the source of the gas, such as "purchased" (pipeline), "production" (includes purchased from local producers), "storage withdrawal", "propane/air", and "unaccounted for".

Response:

12 Months Ended December 31,		
<u>Deliveries (Mcf)</u>	<u>2007</u>	<u>2006</u>
Residential	18,987,521	16,751,901
Commercial	4,386,025	3,913,985
Industrial	60,190	70,734
Subtotal	23,433,736	20,736,620
Transportation	23,498,124	21,499,181
Unaccounted For Gas	1,874,949	2,771,562
Total Deliveries	48,806,809	45,007,363
 <u>Supply (Mcf)</u>		
Gas Purchased	15,778,786	16,597,741
Storage Withdrawals	9,529,899	6,910,442
Total	25,308,685	23,508,182
Received for Transportation	23,498,124	21,499,181
Total Supply	48,806,809	45,007,363

Equitable Gas Company
§ 53.62 V. Additional Information
Gas Utilities

In addition to information otherwise required to be filed by a jurisdictional natural gas distributor with gross intrastate annual operating revenues in excess of \$40 million seeking a change in its base rates, each gas utility shall also file updates to the information required by § 53.64(c) (relating to filing requirements for natural gas distributors with gross intrastate annual operating revenues in excess of \$40 million). In the case of a gas utility purchasing gas as defined at § 53.61(a) (relating to purpose) from an affiliated interest, it shall also file updates to the information required at § 53.65 (relating to special provisions relating to natural gas distributors with gross intrastate annual operating revenues in excess of \$40 million with affiliated interests). These updates shall be made at the time the base rate case under 66 Pa.C.S. § 1308 (relating to voluntary changes in rates) is originally filed. Deficiencies in filing will be treated as set forth at § 53.51(c) (relating to general).

Response:

Equitable Gas Company filed its Definitive Section 1307(f) filing on April 1, 2008, which contains an update to the information required by § 53.64(c) at Docket No. R-2008-2021160, and contemporaneously served upon the OTS, OCA and OSBA. Should any party to the general rate proceeding at Docket No. R-2008-2029325 desire copies of the Company's Section 1307(f) filing being incorporated herein by reference, please submit a written request for same to the Company's outside counsel for the matter, Charles E. Thomas, Jr. Thomas, Thomas, Armstrong & Niesen, P.O. Box 9500 Harrisburg, PA 17108. Copies are also available for inspection at Mr. Thomas' office, Suite 500, 212 Locust Street, Harrisburg, PA 17101.

On January 31, 2008, the Company, as part of its 2008 Section 1307(f) proceeding at Docket No. R-2008-2021160, filed an update of the information required by 52 Pa. Code Section 53.65. Copies of the update were contemporaneously served upon the OTS, OCA and OSBA and, for ease of reference a copy of the update is provided on the following pages of this Exhibit V.

Equitable Gas Company
§ 53.65 V. Additional Information
Gas Utilities

Whenever a gas utility under 66 Pa.C.S. § 1307(f) (relating to sliding scale of rates; adjustments) purchases gas, transportation or storage from an affiliated interest, as defined at 66 Pa.C.S. § 2101 (relating to definition of affiliated interest), it shall, in addition to the normal submission expected of a gas utility under 66 Pa.C.S. § 1307(f) file evidence to meet its burden under 66 Pa.C.S. § 1307(b) (relating to regulation of natural gas costs). The evidence, to be filed 60 days prior to the filing of a tariff under 66 Pa.C.S. § 1307(f), shall include statements regarding:

- (1) The costs of the affiliated gas, transportation or storage as compared to the average market price of other gas, transportation or storage and the price of other sources of gas, transportation or storage.
- (2) Estimates of the quantity of gas, transportation or storage available to the utility from all sources.
- (3) Efforts made by the utility to obtain gas, transportation or storage from nonaffiliated interests.
- (4) The specific reasons why the utility has purchased gas, transportation or storage from an affiliated interest and demonstration that the purchases are consistent with a least cost procurement policy.
- (5) The sources and amounts of gas, transportation or storage which have been withheld from the market by the utility or affiliated interest and the reasons why the gas, transportation or storage has been withheld.

Response:

Please see attached.

EQUITABLE GAS COMPANY

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending September 30, 2009

Item 53.65(1) The costs of the affiliated gas, transportation or storage as compared to the average market price of other gas, transportation or storage and the price of other sources of gas, transportation or storage.

Response:

Attached is a comparison of the cost of transportation and storage services purchased from affiliates to the price of other sources of transportation and storage. The rates shown for storage and transportation service are FERC approved tariff rates, and differences in the terms and conditions offered by the pipeline for those services are not reflected.

Equitable Gas Company
Attachment 1 to Item 53.65(1)

Appalachian Gas

Term	Equitable Energy LLC (Equitrans Delivered) (\$/Dth)	Equitable Energy LLC (DTI) (\$/Dth)	Equitable Energy LLC (TCO) (\$/Dth)	(a.) Market Price (\$/Dth)
February 7, 2007	9.05			n/a
February 15		10.455		10.455
July 1			6.935	6.935
August		7.98 (b)		6.43
September		7.98 (b)		5.61
October 31			7.40	7.235
December		7.553		7.69

(a.) Prices listed for purchases made on the first day of the month are based on Inside FERC's Gas Market Report. Prices listed for purchases made after the first of the month are based on the Gas Daily Midpoint and represent actual flow dates.

(b.) Prices listed were triggered prior to actual month in which the gas flowed and were reflective of market conditions at that time.

Equitable Gas Company
Attachment Item 53.65(1)

Storage Services

	<u>Storage Demand</u>	<u>Storage Space</u>	<u>Storage Injection/ Withdrawal Charges</u>
Equitrans, Inc.			
Baseload Service	1.4949/MDQ	0.0262/TASQ	0.0069/Dth
Tennessee Gas Pipeline			
Firm Storage Service (Production Area)	2.02/MDQ	0.0248/TASQ	0.0053/Dth
Firm Storage Service (Market Area)	1.15/MDQ	0.0185/TASQ	0.0102/Dth
Texas Eastern Transmission Corporation			
Rate Schedule SS-1			
-Storage Service	5.4910/MDQ*	0.1293/TASQ	0.0254/Dth (Inj.)
* reflects storage surcharge of \$0.0970			0.0314/Dth (Wtd.)
Columbia Gas Transmission			
Rate Schedule FSS			
-Firm Storage Service	1.503/MDQ	0.0290/TASQ	0.0153/Dth
Dominion Transmission Corp.			
Rate Schedule GSS			
-Firm Storage Service	1.8780/MDQ	0.0145/TASQ	0.0219/Dth (Inj.)
			0.0175/Dth (Wtd.)
National Fuel Gas Supply Corporation			
SS-1 (110 day Storage)	6.5175/MDQ	0.0291/TASQ	0.0144/Dth (Inj./Wtd.)
SS-2 (150 day Storage)	8.1470/MDQ	0.0260/TASQ	0.0125/Dth (Inj./Wtd.)
FSS	2.1556/MDQ	0.0432/TASQ	0.0158/Dth (Inj./Wtd.)

EQUITABLE GAS COMPANY

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending September 30, 2009

Item 53.65(2) Estimates of the quantity of gas, transportation or storage available to the utility from all sources.

Response: The following represents the Company's estimates of the maximum supplies available, including associated pipeline transportation, during the projected period.

<u>Source</u>	<u>Estimated Annual Quantity (MMDth)</u>
Texas Eastern Transmission Corp.	39,861
Equitrans, L.P.	82,472
Dominion Transmission Inc.	0

EQUITABLE GAS COMPANY

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending September 30, 2009

Item 53.65(3) Efforts made by the utility to obtain gas, transportation or storage from non-affiliated interests.

Response:

The Company continuously evaluates the gas, transportation and storage markets through regular contacts with gas vendors, trade publications, electronic bulletin boards, participation in FERC proceedings, meetings with pipeline representatives and participation in gas utility trade groups in attempting to meet its obligations under the Pennsylvania Public Utility Code. The Company continuously evaluates new non-affiliated gas suppliers in an effort to increase its supply resource options, and to maintain market sensitive pricing in its supply portfolio. The Company maintains a policy of emphasizing the purchase of any low cost supplies made available from both affiliated and non-affiliated parties. When consistent with least cost purchasing practices, in addition to being operationally and contractually feasible, the Company does obtain gas supplies, transportation and/or storage from non-affiliated interests.

It should be noted, however, that the Company's ability to alter its current transportation and storage portfolio is limited by the parameters of FERC's Order No. 636 and the contractual relationships that were established pursuant to that Order. Please see the response to Item 53.65(4).

EQUITABLE GAS COMPANY

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending September 30, 2009

Item 53.65(4) The specific reasons why the utility has purchased gas, transportation or storage from an affiliated interest and demonstration that the purchases are consistent with a least cost fuel procurement policy.

Response:

The Company's gas purchasing strategy is premised on its obligation to provide safe and reliable service at the lowest cost. The Company's gas resources are the least cost option given its current pipeline transportation (including storage) portfolio. Its pipeline transportation portfolio is its least cost option given the parameters of the restructuring of pipeline services in FERC's Order No. 636. To the extent that affiliated interests offer the Company natural gas supplies, transportation or storage under competitive terms and conditions, the Company considers those offers in accordance with least cost purchasing practices. There are no alternative gas supplies or alternative transportation paths, which after considering incremental costs, that would be economical in relation to the Company's current portfolio of gas supply and services.

EQUITABLE GAS COMPANY

Pennsylvania Public Utility Commission
52 Pa. Code §53.61, et seq.
For the Twelve Months Ending September 30, 2009

Item 53.65(5) The sources and amounts of gas, transportation or storage which have been withheld from the market by the utility or affiliated interest and the reasons why the gas, transportation or storage has been withheld.

Response:

The Company has not withheld from the market any gas, transportation or storage.