

COLUMBIA GAS OF PENNSYLVANIA, INC.

121 Champion Way, Suite 100

Canonsburg, Pennsylvania

RATES AND RULES

FOR

FURNISHING GAS SERVICE

IN

THE TERRITORY AS DESCRIBED HEREIN

ISSUED: August 16, 2019

EFFECTIVE: October 15, 2019

ISSUED BY: M. A. HUWAR, PRESIDENT
121 CHAMPION WAY, SUITE 100
CANONSBURG, PENNSYLVANIA 15317

NOTICE

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

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

Page	Page Description	Revision Description
Cover	Tariff Cover Page	Supplement No., Issue and Effective Date.
2 - 2b	List of Changes	List of Changes.
24	Definitions	Added a new definition for "Connected Load" and renumbered definitions.
25	Definitions	Added a new definition for "Electronic Flow Corrector" and renumbered the definitions.
26	Definitions	Added a new definition for "Instrumentation Drive" and revised the definition of "Maximum Daily Quantity". Renumbered the definitions. Moved the existing definitions for "Mcf", "Month", "Medical Certificate" and "Pass-through Charge" to page 27.
27	Definitions	Added the remaining text of the revised definition of "Maximum Daily Quantity". Added the existing definitions of "Mcf", "Month", "Medical Certificate" and "Pass-through Charge" from page 26. Renumbered the definitions. Moved the existing definitions of "Residential Customer" and "Sales Service" to page 28.
28	Definitions	Added the existing definitions of "Residential Customer" and "Sales Service" from page 27. Renumbered the definitions. Moved the existing definitions of "Therm", "Therm Multiplier" and "Transmission Pipeline" to page 29.
29	Definitions	Added a new definition for "Telemetry". Added the existing definitions of "Therm", "Therm Multiplier" and "Transmission Pipeline" from page 28. Renumbered the definitions.
57	Measurement	Added existing paragraph "15.7 Measuring Equipment" from page 58a, renumbered the paragraph as 15.3, removed the text that was originally added in Supplement No. 255 and added text addressing Telemetry equipment. Moved existing paragraph "15.3 Meter Reading" to page 58. Moved existing paragraph "15.4 Automated Meter Reading" to page 58.
58	Measurement	Added a new paragraph to the renumbered section "15.3 Measuring Equipment". Added existing section "15.3 Meter Reading" from page 57 and renumbered it as 15.4. Revised the second paragraph to include Telemetry. Added existing section "15.4 Automated Meter Reading" from page 57 and renumbered it as 15.4.2. Added new paragraph "15.4.3 Daily Meter Reading using Analog Telephone Lines". Moved sections "15.5 Estimated Usage" to page 58a and "15.6 Flowing Temperature" to page 58b.

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

Page	Page Description	Revision Description
58a	Measurement	Moved existing section "15.7 Measuring Equipment" to page 57. Moved existing section "15.8 Therm Adjustment" to page 58b. Added new paragraph "15.4.4.Daily Meter Reading by Telemetry" to the renumbered section 15.4 Meter Reading that continues from page 58. Added existing sections "15.5 Estimated Usage" from page 58.
58b	Measurement	New page. Added "15.6 Flowing Temperature" from page 58. Added "15.8 Therm Adjustment" from page 58a and renumbered it as 15.7.
92	Rate SGDS	Removed paragraph numbered "4." under "Special Provisions".
182	RADS - Definitions	Added a new definition for "Connected Load" and "Electronic Flow Corrector". Renumbered definitions.
183	RADS - Definitions	Renumbered definitions. Added a new definition for "Instrumentation Drive".
184	RADS - Definitions	Revised existing "Maximum Daily Quantity" definition. Renumbered definitions. Moved the definition of "Natural Gas Provider" to page 185.
185	RADS - Definitions	Added the definition of "Natural Gas Provider" from page 184. Renumbered definitions.
185a	RADS - Definitions	Renumbered definitions. Added a new definition for "Telemetry".
201	Rules Applicable Only to General Distribution Service	Revised paragraph 3.2.1.
202	Rules Applicable Only to General Distribution Service	Revised paragraph 3.3.1.
203	Rules Applicable Only to General Distribution Service	Revised paragraph 3.3.2.1.3.
204	Rules Applicable Only to General Distribution Service	Added new paragraph 3.5.6
205	Rules Applicable Only to General Distribution Service	Revised paragraph 3.6.3.1 and 3.6.3.2.
206	Rules Applicable Only to General Distribution Service	Revised paragraph 3.7.1. Moved paragraph 3.7.3 to page 206a.
206a	Rules Applicable Only to General Distribution Service	New page. Added paragraph 3.7.3 from page 206.

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

Page	Page Description	Revision Description
207	Rules Applicable Only to General Distribution Service	Revised paragraph 3.8.1. Removed existing text for paragraph 3.8.2 and added new text.
207a	Rules Applicable Only to General Distribution Service	Added a new paragraph 3.8.5.
208	Rules Applicable Only to General Distribution Service	Renumbered paragraphs.
212	General Distribution Aggregation Service	Revised paragraph 3.15.1.6 by moving the second sentence and making it paragraphs 3.15.1.7 and 3.15.1.8. Revised the text that appears in newly numbered paragraph 3.15.1.8. Renumbered existing paragraph 3.15.1.7 as 3.15.1.9.
213	General Distribution Aggregation Service	Renumbered remaining paragraphs in 3.15.1.

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

1. The Gas Tariff - continued

1.6 Definitions - continued

11. "Commercial Customer" – continued

Included in this group are customers who receive the Company's gas service through one meter set to a combination of four or more dwelling units or through one meter set to a combination of up to three dwelling units and one or more business premises, where the business premises is the predominant usage factor. If the ratepayer's predominate usage is for natural gas powered vehicle service, then the ratepayer will be classified as a commercial ratepayer.

If gas is supplied through a single meter and is used for both commercial and residential or commercial and industrial usage, the service will be considered commercial if it is the predominant usage factor.

12. "Commission" shall mean the Pennsylvania Public Utility Commission. The state agency responsible for utility rates and services offered by the Company and for Natural Gas Suppliers as provided for in 66 Pa. C.S. §2208 of the Act.

13. "Commodity Charge" and "Natural Gas Supply Charge" shall mean basic service charges for natural gas supply services to retail customers, excluding charges for natural gas distribution services.

14. "Company" and "Natural Gas Distribution Company" and "NGDC" shall mean Columbia Gas of Pennsylvania, Inc., a public utility that provides Natural Gas Distribution services and which may provide Natural Gas Supply Services and other services.

15. "Connected Load" shall mean the sum of the maximum energy ratings of all natural gas consuming devices connected for use on the customer's property. (C)

16. "Customer" shall mean a person at least 18 years of age, or a partnership, association, corporation or other entity that purchases natural gas and in whose name a service account exists with the Company. For the limited purpose of changing an NGS, "Customer" may also include an agent who has been duly authorized to initiate a change of the Customer's NGS on behalf of that person, partnership, association, corporation, or other entity through a signed document which identifies by name the agent who has the authority to initiate a change of the Customer's NGS. PA. P.U.C. Docket No. M-00991249F006.

17. "Customer Proxy" generally means the entity that receives notices (e.g. OFOs, OMOs, SFO, etc), receives bills, and controls the gas bank account. Specifically, "Responsible Party" shall mean the Customer in circumstances described in paragraphs 1, 2 and 3 of the "Shipper" definition, and the Natural Gas Supplier in circumstances described by paragraph 4 of the "Shipper" definition.

18. "Distributed Generation" shall mean any generating resource other than central station generation that is placed close to the load being served, usually meaning the customer site. Distributed Generation technologies may include, but not limited to, reciprocating engines, gas turbines, microturbines, and fuel cells.

19. "Distribution", "Distribution Service" and "Natural Gas Distribution Service" shall mean Natural Gas Distribution Service as defined in the Commission's Docket No. M-00991249F0005.

(C) Indicates Change

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

1. The Gas Tariff - continued

1.6 Definitions - continued

20. "Distribution Charge" shall mean the basic service charges for the delivery of natural gas to a retail customer from the point of receipt into the Company's system and shall appear as a line item on a customer's bill.
21. "Distribution Pipeline" shall mean any Company pipeline other than a Transmission Pipeline or Company service line.
22. "Dth" or "Dekatherm" shall mean ten (10) therms.
23. "Electronic Flow Corrector" or "EFC" shall mean a device that may be attached to a meter with an instrumentation drive and is used to correct measured usage to standard conditions based on actual pressure and temperature. (C)
24. "FERC" or "Federal Energy Regulatory Commission" shall mean the United States federal agency with jurisdiction over interstate electricity sales, wholesale electric rates, hydroelectric licensing, natural gas pricing, and oil pipeline rates. FERC also reviews and authorizes liquefied natural gas (LNG) terminals, interstate natural gas pipelines and non-federal hydropower projects.
25. "FTS" shall mean firm transportation service provided by an interstate pipeline in which gas is transported on a firm basis from designated receipt points to designated delivery points.
26. "Gas" or "Natural Gas" or "Natural Gas Supply" shall mean the hydrocarbon gas obtained from underground and undersea porous sedimentary rocks. As specified in this tariff, a customer may purchase their gas from an NGS or from the Company.
27. "Gas Cost Adjustment" shall mean the amount billed or credited each month to account for the differences between projected and actual gas supply costs of the Company and is also referred to as the Purchased Gas Commodity Cost (PGCC) "E" Factor. When applicable, the Gas Cost Adjustment appears as a line item on a customer bill.
28. "Gas Supply Charge" shall include the PGCC, the Rider GPC and the Rider MFC and will appear as a line item on the bill of a customer purchasing their natural gas supply service from the Company. If the customer has selected an NGS to serve them under Choice Distribution Service, and the Company is including the NGS gas supply price on the Company's bill to the customer, then the Gas Supply Charge will reflect the charge provided by the NGS to be billed to the customer by the Company.
29. "General Distribution Service" and "GDS" shall mean Distribution service provided under rate schedules DGDS, CDS, EGDS, LDS, MLDS, NCS, SGDS or SDS.
30. "Human Needs" or "Essential Human Needs" or "Essential Human Needs Use" shall mean gas usage by customers for service to any buildings where persons normally dwell including, but not limited to, residences, apartment houses, dormitories, hotels, motels, hospitals, correctional institutions, and nursing homes as well as the use of natural gas by sewage plants.

(C) Indicates Change

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

1. The Gas Tariff - continued

1.6 Definitions - continued

31. Industrial Customer

A customer using gas for creating or changing raw or unfinished material into another form or product through the application of heat or heat treating, steam agitation, evaporation, baking, drying, distilling, etc.

Typical industrial users are manufacturing plants, machine shops, steel and iron mills, foundries, lumber planing and saw mills, canneries, dairies, meat packers, breweries, distilleries, potteries, railroad repair shops, refineries, creameries, flour mills, pump stations, ice plants, quarries, milk plants, mines, shipbuilders, chemical plants, grain elevators, food processing facilities, petrochemical operations in which the gas is the raw material, etc. If gas service is supplied through a single meter and is used for both industrial and commercial purposes, the service shall be considered industrial if the industrial usage is the predominant usage factor.

32. "Instrumentation Drive" shall mean a mechanism that may be attached to some types of meters and that provides the ability to install a flow correcting device to the meter. (C)

33. "Local Market Area" shall mean a continuous physically interconnected system of Company owned distribution piping through which the Company provides natural gas service to customers in a discrete geographic area, utilizing one or more common Points of Delivery from interstate pipeline supplier(s) or local gas supplier(s).

34. "Maximum Daily Quantity" or "MDQ" shall mean a Customer's maximum usage during a 24-hour period based on recent historical Customer consumption data. (C)

The Company shall perform an MDQ calculation each year based on data ending March 31 and shall provide the new MDQ to customers and / or their agent of record in September. The newly calculated MDQ will be effective beginning with the November cycle billing. An adjustment to the MDQ may be made at any time upon agreement of the Customer and the Company. The MDQ will be calculated as follows unless otherwise specified in this tariff:

a. For Monthly Read Meters

A regression analysis comparing Monthly Degree Days to Monthly Usage based on a minimum of twelve (12) months and a maximum of thirty-six (36) months will be developed to calculate the MDQ.

i. When the regression analysis yields an R Squared value greater than 0.6, the MDQ will be based on the regression analysis and the following calculation will be used to determine the MDQ:

$$MDQ = Base Load + Heat Load * (Market Area Design Day Degree Days)$$

ii. When the regression analysis yields an R Squared value less than 0.6, the MDQ will be based on the highest monthly usage in the prior three years and the following calculation will be used to determine the MDQ:

$$MDQ = Highest Monthly Usage in Past Three Years / 25 days$$

(C) Indicates Change

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

1. The Gas Tariff - continued

1.6 Definitions - continued

34. "Maximum Daily Quantity" or "MDQ" – continued (C)
- b. For daily read meters, the MDQ will be based on the highest daily usage in the past three years.
 - c. For new meters or new customer usage without sufficient monthly or daily data, the MDQ will be based on Connected Load until the next MDQ update.
35. "Mcf" shall mean one thousand (1,000) cubic feet of gas.
36. "Month" shall mean calendar month.
37. "Medical Certificate" shall mean a written document: 1) certifying that a customer or member of the customer's household is seriously ill or has been diagnosed with a medical condition which requires the continuation of service to treat the medical condition; and 2) signed by a licensed physician, nurse practitioner or physician's assistant.
38. "Pass-through Charge" shall mean the charge that appears as a line item on a residential, commercial and industrial bill for an account served pursuant to Rate Schedules CAP, RDS, RSS, SGSS, SCD, SGDS, LGSS, MLSS and PS. Pass-through Charges may include: 1) the Purchased Gas Demand Charge ("PGDC"); 2) the PGDC "E" Factor; 3) the Capacity Assignment Factor ("CAF"); 4) the Rider Customer Choice charge ("Rider CC"); and 5) the Rider Universal Service Plan charge ("Rider USP").
39. "Pipeline Scheduling Point" or "PSP" shall mean a single delivery point or set of delivery points grouped or designated by an upstream pipeline for purposes of scheduling gas supplies for delivery by such upstream pipeline and shall consist of the following: Interconnections with Dominion Transmission, Inc., Equitrans, L.P., National Fuel Gas Supply Corporation, Tennessee Gas Pipeline Company, Texas Eastern Transmission, LP and Columbia Gas Transmission, LLC. The interconnections with Columbia Gas Transmission, LLC include the Market Areas and Master List of Interconnections as defined in the General Terms and Conditions of the FERC Gas Tariff of Columbia Gas Transmission, LLC. As of May 1, 2010, the Columbia Gas Transmission, LLC Pipeline Scheduling Points included: 25E-25 (Lancaster); 25-26 (Bedford); 25E-29 (Downingtown); 25-35 (Pittsburgh); 25-36 (Olean); 25-38 (Rimersburg); 25-39 (New Castle) and 25-40 (PA/WV Misc).
40. "Price-to-Compare" or "PTC" shall mean the dollar amount charged by the Company for gas supply and used by consumers to compare prices with other NGSs. The Price-to-Compare includes the PGCC, the CAF, the GPC, the MFC and the Gas Cost Adjustment.

(C) Indicates Change

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

1. The Gas Tariff - continued

1.6 Definitions - continued

41. Residential Customer

A customer, at least 18 years of age, using gas in a single family residential dwelling or unit for space heating, air conditioning, cooking, water heating, incineration, refrigeration, laundry drying, lighting, incidental heating, or other domestic purposes. For residential utility service, the term "Customer" is further 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 the residential utility service is requested. A Customer whose service has been terminated or discontinued in compliance with this Tariff and existing Pennsylvania statute will remain a Customer if, within 30 days of discontinuance or termination, the Customer requests to have service reconnected or transferred to a new location.

Included in this group are customers using gas through one meter set which provides service to two or three dwelling units in a multi-family residence or building where the owner of the building occupies one of the dwelling units, or through one meter set to a combination of one dwelling unit and one or more business premises, where the residential premises is occupied by the owner of the building and is the predominant gas usage factor. If gas is supplied through a single meter and is used for both residential and commercial purposes, the service shall be considered residential if the residential usage is the predominant usage factor.

42. "Sales Service" shall mean service provided by the Company in which the customer purchases its gas supplies from the Company and the Company distributes the gas supplies to the Customer.

43. "Shipper" generally means the entity nominating gas service for Distribution Service accounts. Specifically, "Shipper" is defined as:

- i.) a General Distribution Service Customer that nominates gas for Distribution; or
- ii.) a Natural Gas Supplier that nominates the General Distribution Service Customer's gas for distribution, but which has not been appointed in writing as the Customer's agent by the Customer; or
- iii.) a Natural Gas Supplier that nominates General Distribution Service Customer's gas for distribution, which NGS is acting as the General Distribution Services Customer's duly authorized agent for the purpose of purchasing gas; or
- iv.) a Natural Gas Supplier that nominates the General Distribution Service Customer's gas for distribution, which NGS is acting as the General Distribution Service Customer's duly authorized aggregation agent for the purpose of purchasing gas.

44. "Supplier of Last Resort" shall mean the Company or another entity as determined pursuant to §2207 of the Act that provides natural gas supply services to customers that do not elect another supplier or choose to be served by the supplier of last resort, customers that are refused service from another natural gas supplier, or customers whose natural gas supplier fails to deliver the required gas supplies. Currently, the Company is the supplier of last resort for all customers under the terms of this tariff. Each customer may only have one supplier of last resort.

(C) Indicates Change

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

1. The Gas Tariff - continued

1.6 Definitions - continued

45. "Telemetry" shall mean an electronic communications process where the gas meter, equipped with an Electronic Flow Corrector and cellular modem or other telecommunications device utilized by the Company, electronically sends metering information to a host database of the Company. Customers using meters with Telemetry will have the option of electing OFOs or OMOs for those meters as described in Rule 3. Rules Applicable Only to General Distribution Service, Operational Matching Order paragraph of the Rules Applicable to Distribution Service of this tariff. (C)
46. "Therm" or "thm" shall mean a unit of heat equivalent to 100,000 British thermal units. The Company uses thm as the unit of measure for billing its customers.
47. "Therm multiplier" shall mean a numeric multiplier that is applied to the volume of gas consumed (as measured in cubic feet, CCF, or MCF) to determine the amount of energy consumed (as measured in therms).
48. "Transmission Pipeline" shall mean pipelines and related facilities which are either: 1) owned by the Company in the form of a D-Line or a Company-owned pipeline that operates at a hoop stress of 20 percent or more of the specified minimum yield strength of the pipe as determined by 49 C.F.R. §192.3; or 2) pipelines and related facilities owned by another company which obtains at least 90% of its gas operating revenues from the transportation of gas for others and classifies at least 90% of its mains (other than service pipe) as field and gathering lines, storage, or transmission lines. The Company's Customers are not typically served directly from a Transmission Pipeline, and according to the provisions set forth in the Termination of Service from Transmission Pipelines section of this Tariff, the Company reserves the right to remove, relocate or abandon its Transmission Pipelines.
49. "User Without Contract" shall mean any person who has not contacted the Company to establish service in their name but who is receiving the benefits of natural gas service. This situation includes, but is not limited to, situations wherein the Company arrives at the premise to disconnect the service as a result of a request from the previous customer and finds the premise occupied. User Without Contract does not include instances where the Company's meter or equipment has been tampered with; the service was obtained through fraud or material misrepresentation of the customer's identity; a tariff provision was violated so as to endanger the safety of a person or the integrity of the Company's system, or the gas service was otherwise established without the Company's authorization.

(C) Indicates Change

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

15. Measurement

15.1 Measurement of Gas

Except as herein otherwise provided, the measurement of gas service shall be by meters purchased and installed by the Company. The meter will be of such size and type as the Company may determine to adequately serve the customer's service requirements, and the Company may from time to time, change or alter the equipment to provide for accurate measurement. To determine measured usage, factors such as those for pressure, temperature, specific gravity and deviation from the laws for ideal gases shall be applied.

15.2 Meters Not Available

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

15.3 Measuring Equipment

Unless otherwise agreed upon, the Company will own, install, maintain and operate measuring stations equipped with displacement or flow meters and other necessary measuring equipment to determine the quantity of gas delivered. The gas delivered shall be measured in accordance with the latest approved methods in use in the industry generally. Orifice meters shall be installed and operated, and gas quantities computed, in accordance with Report No. 3 of the Gas Measurement Committee of the American Gas Association, as amended, expanded or superseded from time to time, applied in a practical and appropriate manner. Displacement meter readings shall be adjusted for pressure and temperature conditions. Customer may install check measuring equipment, provided such equipment is installed so as not to interfere with the operations of the Company. The Company and Customer, in the presence of each other, shall have access to the other's measuring equipment at all reasonable times, but, unless otherwise agreed upon, the reading, calibrating and adjustment thereof and the changing of charts shall be done only by the owner thereof. Both the Company and Customer shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting testing, calibrating or adjusting done in connection with the other's measuring equipment. The records from such measuring equipment shall remain the property of their owner, but, upon request, each will submit to the other its records and charts, together with calculations therefrom, for inspection, subject to return within thirty (30) days after receipt thereof. Customer shall exercise reasonable care in the installation, maintenance and operation of its equipment so as to avoid any inaccuracy in the determination of the quantity of gas delivered.

Equipment necessary to provide Telemetry shall be an option available to customer accounts that are served under Rate Schedules SDS, LDS or MLDS when the existing meter at the customer's facility is equipped with an instrumentation drive. The meter and associated Telemetry equipment shall be the property of the Company and the Company will be responsible for installing and maintaining the equipment.

(C)

(C) Indicates Change

Issued: August 16, 2019

M. A. Huwar
President

Effective: October 15, 2019

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

15. Measurement - continued

15.3 Measuring Equipment - continued

When customer-owned analog telephone lines are used by the Company to obtain the daily meter reading information, the installation, maintenance and repair of the analog telephone lines and the monthly costs associated with such analog telephone lines will be the sole responsibility of the customer. (C)

15.4 Meter Reading

The Company may read any of its meters at least once each billing cycle. The meter reading is used to determine a customer's usage for billing.

The Company may determine a meter reading for billing purposes by: 1) sending a representative to the location of the meter at the customer's premise to obtain the reading; 2) using Telemetry to upload the meter reading; 3) dialing a customer provided analog telephone number established to provide the meter reading; 4) estimating a meter reading after unsuccessfully attempting to obtain an actual reading; or 5) obtaining a reading using an automated meter reading device. (C)

15.4.1 Estimated Meter Reading

The Company may estimate a meter reading if: 1) the Company's agent or representative is unable to gain access to the meter; 2) the meter or the meter reading dial has malfunctioned thus preventing the meter from reflecting an accurate reading, or 3) other circumstances exist that prevent the Company from reading the meter.

When the Company is unable to obtain an actual meter reading, an estimated meter reading shall be used to determine the usage. The estimated reading will be based on prior usage at the premise for a similar period of time and corrected for current conditions.

In order to avoid a bill based on an estimated meter reading, a customer may record the meter reading and submit it to the Company. If such reading is received by the Company the bill for the current billing cycle may be calculated using the meter reading provided by the customer instead of the meter reading estimated by the Company.

15.4.2 Automated Meter Reading

All readings by an Automated Meter Reading (AMR) device shall be deemed actual readings. Upon a customer request, the Company shall secure an in-person meter reading to confirm the accuracy of an automatic meter reading device when a customer disconnects service or a new service request is received. The Company may charge a fee to obtain the in-person meter reading.

15.4.3 Daily Meter Reading using Analog Telephone Lines

A customer utilizing analog telephone service as the communication line that the Company uses to obtain daily measurement information on a daily basis, shall no longer hold the Company responsible for providing daily measurement information on a daily basis if and when the telecommunications company discontinues analog service to the customer. (C)

(C) Indicates Change

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

15. Measurement - continued

15.4 Meter Reading - continued

15.4.4 Daily Meter Reading by Telemetry

(C)

Electronic access to a meter's daily measurement information using Telemetry shall be available to a customer or the customer's specified agent of record when:

1. the customer's account is served under Rate Schedule SDS, LDS or MLDS; and
2. an instrumentation drive exists on the meter that serves the customer's facility; and
3. all equipment necessary to capture, correct and transmit the daily meter reading to the Company has been installed.

The usage for the gas day ending at 10:00 AM Eastern Time shall be available electronically through a secure internet address by 1:00 PM Eastern Time that same calendar day for the customer, the customer's current agent of record, or any other customer-authorized party.

15.5 Estimated Usage

The Company may use an estimated meter reading to determine usage for billing. Usage is estimated when: (1) meter readings are on a bimonthly basis; or (2) when the Company's agent or representative is unable to gain access to the meter location; or (3) any meter or measuring device fails to register the actual gas usage for any period of time; or (4) the Company is unable to obtain a meter reading for causes beyond its control.

In those instances where, during normal working hours, the Company's agent or representative is unable to gain access to the meter to obtain a meter reading, the number of estimated readings shall be limited to six consecutive months, and the customer's service, thereafter, is subject to termination. (See the Grounds for Termination of Service paragraph in the Termination of Service section of this tariff.)

The estimated usage shall be determined by subtracting the previous meter reading, whether actual or estimated, from the current estimated meter reading. For billing purposes, the estimated usage is subject to a therm adjustment, and where applicable, a temperature and pressure adjustment. The estimated usage will be used to calculate the customer bill.

The customer shall be obligated to pay the bill based on the estimated consumption as though the bill was based on an actual meter reading. The customer's gas service will be subject to termination for failure to pay the bill as specified in the Grounds for Termination of Service paragraph of this tariff.

Bills for usage based on estimated meter readings shall be subject to adjustment for any unusual circumstances found to have affected the quantity of gas used, or for obvious errors in estimates. When an actual meter reading is obtained that indicates previous estimates are inaccurate, adjustments to the estimates shall be reflected in the next bill issued to the customer.

(C) Indicates Change

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

15. Measurement - continued

15.6 Flowing Temperature

The Company shall determine the temperature of the natural gas flowing through the meter or meters by recorder, from established tables for the location involved, or by use of temperature sending elements used in conjunction with electronic measuring devices.

15.7 Therm Adjustment

The Company shall apply a therm multiplier to metered cubic foot usage to adjust for heating value. This therm multiplier shall be calculated monthly based on the most recent reported heating value for the Pipeline Scheduling Point ("PSP") within the Company's service territory in which the customer's meter is located.

RATE SGDS - SMALL GENERAL DISTRIBUTION SERVICE (Continued)

CUSTOMER DEVELOPMENT/RETENTION PROVISIONS (Continued)

c. If the Customer qualifies under these Customer Development/Retention Provisions, the monthly charges for service to the Customer shall be computed based upon a declining, percentage reduction in the Distribution Charge under this rate schedule. The Customer Charge, Gas Supply Charge, Pass-through Charge, penalties and charges of third party transporters, if any, to a Customer served under this rate schedule are not subject to reduction. The percentage reductions are as follows:

First Year	35% reduction
Second Year	25% reduction
Third Year	15% reduction

2. Except as modified by the terms of these Customer Development/Retention Provisions, all provisions of this rate schedule apply to service to the Customer.

SPECIAL PROVISIONS

1. If service is discontinued at the request of the customer, the Company shall be under no obligation to reconnect service to the same customer on the same premises until the customer pays the minimum charge for each billing cycle of the intervening period, but not to exceed twelve (12) months.

2. Where a customer has installed a gas light(s) in lighting devices approved by the Company, and the gas used by such light(s) is unmetered, the gas consumed by such light(s) shall be assumed to be twenty-one (21) thm per billing cycle when the Btu/hr input rating for such light(s) is 2,700 or less. For each additional 1,350 Btu/hr or fraction thereof, the assumed consumption shall be increased by eleven (11) thm per billing cycle. Such assumed consumption shall be billed under the rates contained herein, or if in combination with metered usage under this rate schedule, shall be added to the customer's metered usage and the total billed under the rates contained herein.

3. Energy usage eligibility for this rate schedule will be determined annually. In the event the Customer's total annual purchases of sales and distribution are in excess of 64,400 thm, the customer shall be transferred to Rate SDS, or Rate LDS, as applicable.

RULES AND REGULATIONS

The Rules and Regulations Governing the Distribution and Sale of Gas of this Tariff, which are not inconsistent with the provisions of this rate schedule, shall govern where applicable, the supply of gas service under this rate schedule.

(C) Indicates Change

1. DEFINITIONS (Continued)

- 1.10 “Choice Aggregation Nomination Group” shall mean a Customer or group of Customers electing Rate RDS or SCD organized pursuant to the requirements of the Choice Aggregation Service as specified in the Rules Applicable to Distribution Service section of this tariff.
- 1.11 “Choice Daily Delivery Requirement” shall mean the normalized daily delivery requirement for a Choice Aggregation Nomination Group, calculated by the Company pursuant to the requirements of Paragraph 4.9.2 of these Rules Applicable to Distribution Service.
- 1.12 “Choice EBB” shall mean the Company’s electronic bulletin board (“EBB”) which is used to submit Customers in the Choice service, obtaining Choice reports etc.
- 1.13 “Choice Primary FTS Daily Capacity Requirement” shall mean the Primary FTS capacity required to be held by an NGS for a Choice Aggregation Nomination Group in a quantity equal to the Choice Aggregation Nomination Group’s estimated normalized annual usage divided by 365, converted to a Dth basis using the Company’s annual average Btu content, and adjusted for Company use and Retainage.
- 1.14 “Choice Tariff” shall mean either Rate SCD or Rate RDS, Rider CC, these Rules Applicable to Distribution Service, as applicable for the particular Customer being served, as well as the Company’s Rules and Regulations.
- 1.15 “City Gate” shall mean the point where interstate pipelines deliver gas into the Company’s facilities.
- 1.16 “Commission” shall mean the Pennsylvania Public Utility Commission.
- 1.17 “Connected Load” shall mean the sum of the maximum energy ratings of all natural gas consuming devices connected for use on the customer’s property. (C)
- 1.18 “Customer Proxy” generally means the entity that receives notices (e.g. OFOs, OMOs, SFOs etc), receives bills, and controls the gas bank account. Specifically, “Responsible Party” shall mean the Customer in circumstances described in paragraphs 1, 2 and 3 of the “Shipper” definition, and the Natural Gas Supplier in circumstances described by paragraph 4 of the “Shipper” definition.
- 1.19 “Delivery Point” shall mean the location at which the Company shall first receive the gas supply from an NGS.
- 1.20 “EBB” shall mean an Electronic Bulletin Board system.
- 1.21 “Electronic Flow Corrector” or “EFC” shall mean a device that may be attached to a meter with an instrumentation drive and is used to correct measured volumes to standard conditions based on actual pressure and temperature. (C)
- 1.22 “Favored Customer” shall mean any customer of an NGDC or its affiliated NGS which receives a benefit of economic value to retain that customer on the distribution system.
- 1.23 “FERC” shall mean the Federal Energy Regulatory Commission.

(C) Indicates Change

1. DEFINITIONS (Continued)

- 1.24 “Firm Service” with regard to Natural Gas Supply services shall mean the quality of Natural Gas Supply Service provided to the Customer in which gas shall be available at all times, even under adverse conditions. “Firm Service” with regard to Natural Gas Distribution Company services shall mean that the Company will distribute gas to the Customer on a firm basis during any day in which the Customer’s gas is delivered by the Shipper to the Company at a Delivery Point in the same Company Local Market Area in which the Customer’s facilities are located, as further defined in Paragraph 2.6 of these Rules Applicable to Distribution Service.
- 1.25 “FTS” shall mean firm transportation service provided by an interstate pipeline in which gas is transported on a firm basis from designated receipt points to designated delivery points.
- 1.26 “Gas” or “Natural Gas” or “Natural Gas Supply” or “Gas Supply” shall mean the hydrocarbon gas obtained from underground and undersea porous sedimentary rocks. In these Rules Applicable to Distribution Service these terms will refer to the commodity an NGS nominates and schedules for delivery to the Company for distribution.
- 1.27 “General Distribution Aggregation Service” shall mean the aggregation of General Distribution Service Customers in a group for the purpose of administering gas purchase and supply.
- 1.28 “General Distribution Application and Agreement” shall mean the Application completed by a Customer who desires to begin taking General Distribution Service.
- 1.29 “General Distribution Service” and “GDS” shall mean Distribution service provided under rate schedules DGDS, CDS, EGDS, LDS, MLDS, NCS, SGDS, or SDS.
- 1.30 “Historical Billing Data” shall mean the minimum of twelve (12) months of data as recorded by the Company, which contains usage data and dollar amount billed, unless 12 months of such data is not available.
- 1.31 “Initial NGS Application” shall mean the initial application that must be made to the Company by the NGS prior to providing either General Distribution Service or Choice Service.
- 1.32 “Instrumentation Drive” shall mean a mechanism that may be attached to some types of meters and that provides the ability to install a flow correcting device to the meter. (C)
- 1.33 “ITS” shall mean interruptible transportation service provided by an interstate pipeline, in which natural gas is transported on an interruptible basis.
- 1.34 “Local Market Area” shall mean a continuous, physically-interconnected system of Company-owned distribution piping through which the Company provides natural gas service to Customers in a discrete geographic area, utilizing one or more common Delivery Points from interstate pipeline supplier(s) or local gas supplier(s).
- 1.35 “Material Obligation” shall mean any obligation of the NGS under these Rules Applicable to Distribution Service, which if not fulfilled by the NGS, would impair the Customer’s Natural Gas Supply Services or would impair the Company’s ability to provide natural gas distribution services to its Customers.

(C) Indicates Change

1. DEFINITIONS (Continued)

1.36 “Maximum Daily Quantity” or “MDQ” shall mean a General Distribution Service Customer’s maximum usage during a 24-hour period based on recent historical Customer consumption data. The Company shall perform an MDQ calculation each year based on data ending March 31 and shall provide the new MDQ to customers and / or their agent of record in September. The newly calculated MDQ will be effective beginning with the November cycle billing. An adjustment to the MDQ may be made at any time upon agreement of the Customer and the Company. The MDQ will be calculated as follows unless otherwise specified in this tariff: (C)

a. For Monthly Read Meters

A regression analysis comparing Monthly Degree Days to Monthly Usage based on a minimum of twelve (12) months and a maximum of thirty-six (36) months will be developed to calculate the MDQ.

- i. When the regression analysis yields an R Squared value greater than 0.6, the MDQ will be based on the regression analysis and the following calculation will be used to determine the MDQ:

$$MDQ = Base Load + Heat Load * (Market Area Design Day Degree Days)$$

- ii. When the regression analysis yields an R Squared value less than 0.6, the MDQ will be based on the highest monthly usage in the prior three years and the following calculation will be used to determine the MDQ.

$$MDQ = Highest Monthly Usage in Past Three Years / 25 days$$

- b. For daily read meters, the MDQ will be based on the highest daily usage in the past three years.

- c. For new meters or new customer usage without sufficient monthly or daily data, the MDQ will be based on Connected Load until the next MDQ update.

1.37 “month” shall mean calendar month.

1.38 “Natural Gas Distribution Company” or “NGDC” shall mean a public utility or city natural gas distribution operation that provides natural gas distribution services and which may provide natural gas supply services and other services. For purposes of this standard of conduct, the term does not include:

- (i) A public utility subject to the jurisdiction of the Commission which has annual gas operating revenues of less than \$6 million per year, except:

(A) When the public utility voluntarily petitions the Commission to be included within the definition of an NGDC.

(B) When the public utility seeks to provide natural gas supply services to retail gas customers outside its service territory.

- (ii) A natural gas public utility subject to the jurisdiction of the Commission that is not interconnected to an interstate gas pipeline by means of a direct or indirect connection through the distribution system of another natural gas public utility or through a natural gas gathering system.

(C) Indicates Change

1. DEFINITIONS (Continued)

- 1.39 “Natural Gas Provider” or “NGP” shall mean the NGDC, NGS, marketer, aggregator and/or broker, as well as any third party acting on behalf of these entities.
- 1.40 “Natural Gas Supplier” or “NGS” shall mean an entity other than a natural gas distribution company, but including natural gas distribution company marketing affiliates without regard to structural relationship, which provides natural gas supply services to retail gas customers utilizing the jurisdictional facilities of a natural gas distribution company. The term includes:
- (i) A natural gas distribution company that provides natural gas supply services outside its certificated service territories.
 - (ii) A municipal corporation, its affiliates or any joint venture, to the extent that it chooses to provide natural gas supply services to retail customers located outside of its corporate or municipal limits, as applicable, other than:
 - (a) As provided prior to July 1, 1999, the effective date of 66 Pa.C.S. Chapter 22 (relating to natural gas competition), under a certificate of public convenience if required under this title.
 - (b) Total natural gas supply services in de minimis amounts.
 - (c) Natural gas supply services requested by, or provided with the consent of, the public utility in whose certificated territory the services are provided.
 - (d) Natural gas supply services provided to the municipal corporation itself or its tenants on land it owns or leases, or subject to an agreement of sale or pending condemnation, as of September 1, 1999, to the extent permitted by applicable law independent of 66 Pa.C.S. Chapter 22.
 - (iii) The term excludes an entity to the extent that it provides free gas to end-users under the terms of an oil or gas lease. Notwithstanding any other provision of 66 Pa.C.S. (relating to the Public Utility Code), an NGS that is not an NGDC is not a public utility as defined in 66 Pa.C.S. §102 (relating to definitions) to the extent that the NGS is utilizing the jurisdictional distribution facilities of an NGDC or is providing other services authorized by the Commission.
- 1.41 “Natural Gas Supply Services” shall mean the sale or arrangement of the sale of natural gas to retail customers and services that may be unbundled by the Commission under section 2203(3) of the Act. The term does not include distribution service.
- 1.42 “NGS Choice Distribution Aggregation Agreement” shall mean the contract between the NGS and the Company that specifies the terms and conditions for participation in the Choice Service.
- 1.43 “Nomination EBB” shall mean the electronic bulletin board and nomination system, which is used for scheduling deliveries of gas on the Company’s system.
- 1.44 “Paragraph” shall mean a numbered paragraph of these Rules Applicable to Distribution Service as well as all sub-paragraphs falling under that numbered paragraph.

(C) Indicates Change

1. DEFINITIONS (Continued)

- 1.45 “Primary FTS” with regard to Columbia Gas Transmission, LLC capacity, shall mean FTS which has a designated primary delivery point located in the same Pipeline Scheduling Point in which the Customer is located and has a designated primary receipt point at a location considered to be a point of generally available supply. “Primary FTS” with regard to any other transmission pipeline shall mean firm transportation service which has a designated primary delivery point located in the same Company Local Market Area in which the customer is located and has a designated primary receipt point at a location considered to be a point of generally available supply.
- 1.46 “Reliability” comprises adequacy and security.
- 1.47 “Retainage” shall mean gas lost and unaccounted for in the Company’s operations as more specifically defined in the Retainage paragraph of these Rules Applicable to Distribution Service.
- 1.48 “Rules and Regulations” shall mean the “Rules and Regulations Governing the Distribution and Sale of Gas” section of the Company’s tariff.
- 1.49 “Security” means designing, maintaining and operating a system so that it can safely handle extreme conditions, as well as emergencies.
- 1.50 “Shipper” generally means the entity nominating gas service for distribution. Specifically, “Shipper” is defined as:
1. a General Distribution Service Customer that nominates gas for Distribution; or
 2. a Natural Gas Supplier that nominates the General Distribution Service Customer’s gas for distribution, but which has not been appointed in writing as the Customer’s agent by the Customer; or
 3. a Natural Gas Supplier that nominates the General Distribution Service Customer’s gas for distribution, which NGS is acting as the General Distribution Service Customer’s duly authorized agent for the purpose of purchasing gas; or
 4. a Natural Gas Supplier that nominates the General Distribution Service Customer’s gas for Distribution, which NGS is acting as the General Distribution Service Customer’s duly authorized aggregation agent for the purpose of purchasing gas.
- 1.51 “Storage” shall mean placing natural gas into an underground facility for removal and use at a later date.
- 1.52 “Telemetry” shall mean an electronic communications process where the gas meter, equipped with an Electronic Flow Corrector and cellular modem or other telecommunications device utilized by the Company, electronically sends metering information to a host database of the Company. Customers using meters with Telemetry will have the option of electing OFOs or OMOs for those meters as described in Rule 3. Rules Applicable Only to General Distribution Service, Operational Matching Order paragraph of these Rules Applicable to Distribution Service. (C)
- 1.53 “Transmission” shall mean the moving of natural gas through the interstate pipeline system for delivery to the NGDC.

(C) Indicates Change

3. RULES APPLICABLE ONLY TO GENERAL DISTRIBUTION SERVICE

3.1 This Paragraph applies to all General Distribution Service on the Company's system, regardless of whether the Customer is acting as its own Shipper or whether the Customer has contracted with an NGS to provide this service.

3.2 APPLICATION PROCESS

3.2.1 All Customers must complete an application in the form prescribed by the Company prior to taking service under these Rules Applicable to Distribution Service ("General Distribution Application and Agreement"). The General Distribution Application and Agreement shall set forth: (1) the point(s) of receipt at which the gas will be delivered to the Company; (2) the point(s) to which the Company will distribute the gas to the Customer's facilities; and (3) the Customer's currently effective Maximum Daily Quantity and annual quantity. The General Distribution Application and Agreement shall also include: the name, address and telephone number to which all notices are to be delivered, an e-mail address, banking and balancing information if applicable, alternate fuel information, the service and levels of said services to be rendered.

The currently effective Maximum Daily Quantity and annual quantity are subject to adjustment by the Company no more than one time each year, to reflect the Customer's currently effective Maximum Daily Quantity based on data ending March 31 and annual quantities experienced in the most recent November to October period, except an adjustment may be made at any time upon agreement of the Customer and the Company. (C)

3.2.2 In the General Distribution Application and Agreement, the Customer has the option of appointing an NGS to act on its behalf, for the purpose of establishing and administering the Customer's General Distribution Service. This appointment shall authorize the NGS to administer the Customer's purchase of natural gas supplies, including (by way of illustration and not limitation) the following: obtain the Customer's historic and current usage data from the Company; place a Customer in an Aggregation Nomination Group; receive notices on behalf of the Customer; nominate gas on behalf of the Customers; and obtain from the Company any and all pertinent information pertaining to prior or current month gas deliveries to the Customer, including disbursed quantities, tariff quantities, banked quantities and bank tolerances. The Customer has the right to change his appointment of an NGS to act on his behalf by submitting a new General Distribution Application and Agreement containing the new appointment.

3.2.3 The benefits and obligations of service under these Rules Applicable to Distribution Service shall begin when the Company first receives gas on the Customer's behalf.

3.2.4 Within sixty (60) days of receipt of all necessary information requested by the Company to evaluate a Customer's application, the Company will respond to the General Distribution Application and Agreement and agree either to supply service or deny service. If the Company refuses to provide service under the requested rate schedule, the Company shall provide detailed support for its decision.

(C) Indicates Change

- 3.2.5 The NGS is not required to complete an application to provide General Distribution Service; provided that the Customer's NGS submitted an Initial NGS Application which was approved by the Company.

3.3 CHARACTER OF SERVICE TO BE RENDERED

- 3.3.1 The Company shall receive the quantities of gas supplied by the Shipper and shall redeliver said gas to Customer's facilities. For Customers who purchase 100% Standby Service, the Company will provide Firm Service up to the Customer's currently effective Maximum Daily Quantity. For Priority One Customers, the Company will provide Firm Service. (C)

- 3.3.2 Special Conditions for Customers with less than 100% Standby Service:

- 3.3.2.1 Customers may request to take General Distribution Service with less than 100% Standby Service provided that the Customer agrees to the following conditions:

3.3.2.1.1 Interruption of gas distribution may occur if the Shipper fails to deliver sufficient quantities of gas to the Company, including sufficient quantities to cover peak day usage, whether or not such failure is due to the fault of Shipper. Interruptions or limitations may be necessary during peak day conditions even if all of the Customer's gas has been delivered to the Company.

3.3.2.1.2 An interruption of gas deliveries may require or result in (1) the temporary closing of the Customer's facilities, (2) lost production, sales, or business, and (3) damage to Customer's physical facilities. The Customer assumes the risk of any such losses or damage. A failure of the Customer to interrupt after notification to the Customer Proxy by the Company may also subject the Customer Proxy to liability for fines or penalties incurred by the Company as a result of such failure.

3.3.2.1.3 The Company has the right of access to the Customer's premises in order to read the meter(s), and, to the extent permitted by the Company's approved tariffs, the Company may require the installation of daily metering equipment. (C)

3.3.2.1.4 In the General Distribution Application and Agreement, the Customer shall provide the Company with the names of two persons, along with their 24/7 contact numbers and e-mail addresses (if available), who are to be contacted in the event that interruption of gas service is required under this Paragraph.

3.3.3 A General Distribution Service account may be returned to the applicable Sales Service rate if for a period of at least five (5) consecutive days in one billing cycle the Company:

- (1) has not received gas supply for the account;
- (2) the account's bank balance is insufficient to cover the consumption or the customer did not have access to its bank balance due to the issuance of an OFO and/or OMO; and
- (3) the customer consumed gas on one or more days during such five (5) day period.

For a non-daily read account, the account may be returned to the applicable Sales Service rate at the end of a billing cycle if the above three conditions are met unless the customer furnishes proof that they did not consume gas on one or more days during such five (5) day period.

3.4 ORDER OF GAS THROUGH THE METER.

3.4.1 Gas through the Customer's meter during each billing cycle shall be considered to have come from the following sources, in order of priority:

1. Gas supplies which have reached the facilities of the Company on behalf of a Customer, including Customer-owned supplies.
2. The cumulative balance, if any, of excess deliveries in prior months.
3. Firm sales, if any, contracted by the Customer from the Company.
4. Imbalance gas provided by the Company as defined in Paragraph 3.11.1 of these Rules Applicable to Distribution Service.

3.5 SYSTEM INTEGRITY MEASURES AND PROCEDURES

- 3.5.1 Operational Alert (OA). An operational alert (“OA”) may be called during periods of projected increased or decreased consumer demand for, or supply of, natural gas which may cause system stress or threaten applicable storage or other pipeline contract limitations. An OA is a request for specific action on the part of an individual Customer Proxy, or all Customer Proxies. The Customer Proxies are expected to respond to OAs within 4 hours after the Company provided notice, informing the Company of their intended action(s). Where possible, an OA may be used to avoid an OFO or OMO but shall not be required as a condition to the issuance of an OFO or OMO.
- 3.5.2 Emergency Alerts (EAs). If an unforeseen emergency situation arises which could threaten the continuous adequate delivery of natural gas to a Customer, the Company will provide the Customer Proxy with as much notice as is reasonably possible under the emergency situation. Such notice shall be made by the medium most reasonably expected to reach the Customer Proxy in a timely manner, including but not limited to: telephonic, e-mail, facsimile, Nomination EBB, or personal contact. In such notice, the Company will advise the Customer Proxy of the unforeseen emergency situation, and the Customer Proxy is expected to comply with the Company’s requests.
- 3.5.3 Seasonal Flow Orders (SFOs). As detailed below in the Seasonal Flow Order section of this Paragraph, the Company shall have the authority to issue SFOs whenever the Company believes that the seasonal supplies of Sales Service or Choice customers may be jeopardized. The Company may issue an SFO to Customer Proxies in instances including but not limited to the following: in order to prevent an excess of gas supply on the Company’s system, to respond to an operational issue, or to direct Customer Proxies to direct their Shippers to adjust gas quantities being delivered to the Company to match GDS customers’ estimated requirements to prevent shortages of seasonal supplies on the Company’s system.
- 3.5.4 Operational Flow Orders (OFOs) and Operational Matching Orders (OMOs). The Company has the authority to issue OFOs and OMOs whenever the Company believes that the daily safe and/or reliable operation of its distribution system may be jeopardized including, without limitation, the need to protect the daily supply of Sales and Choice customers. The Company will endeavor to take all actions reasonably practicable to avoid issuing an OFO or OMO. In determining whether to issue an OFO or OMO the Company shall not be required to consider the availability of assets paid for by PGC and/or Choice Customers, or to acquire additional capacity or gas supply to serve GDS Customers (with the exception of quantities elected under Rate SS, and existing capacity for Rider EBS-Option 1). If the Company has the necessary information and conditions do not require a system-wide OFO or OMO, the Company may issue an OFO or OMO to an individual Customer Proxy or Customer Proxies, but this action shall not be a precondition for the Company to issue an OFO or OMO applicable to all GDS Customers or Customer Proxies. Where operationally feasible, the Company will endeavor to issue OFOs/OMOs by Pipeline Scheduling Point.
- 3.5.5 Eligible Customer Proxies may meet the requirements of SFOs, OFOs and OMOs by subscribing to the Company’s Flow Order Management Service as described in Paragraph 3 of these RADS.
- 3.5.6 If there is any change to the OFO or OMO status of a customer’s meter, the company will, within thirty (30) days of the status change requested by the customer or the customer’s duly authorized agent, notify the customer and the Customer’s agent of record of such change. (C)

(C) Indicates Change

3.6 SEASONAL FLOW ORDERS (SFOs)

- 3.6.1 An SFO is a demand for specific actions on the part of Shippers that are serving GDS customers.
- 3.6.2 An SFO will be issued, to the extent possible, with a minimum of two business days notice to the affected parties.
- 3.6.3 The Company will have the authority to direct Customer Proxies to direct their Shippers to adjust daily scheduled quantities to a specified level (the SFO Level). The SFO Level may be necessary to restrict under-deliveries or over-deliveries as the Company deems appropriate.
- 3.6.3.1 For customers without daily measurement equipped meters, customers with daily measurement equipped meters who did not elect Telemetry and for Customers that have elected to be governed as an OFO customer pursuant to the provisions of the Operational Matching Orders section of this Paragraph, the SFO Level will be determined by the Company based upon the Company's projection of usage by GDS customers during the period. Issuance of an SFO shall not prohibit issuance of an OFO/OMO if conditions warrant. To meet the daily SFO level, the Shipper may use gas quantities which are: 1) scheduled and delivered on that day to the Company in the same Pipeline Scheduling Point in which the Shipper's customer(s)'s facilities are located; 2) contracted for under Rate SS – Standby Service; 3) available on that day pursuant to the Rider EBS-Option 1; or 4) additional quantities that may be made available by the Company at its sole discretion including quantities delivered to a Local Market Area other than the Local Market Area where the Customer is located in accordance with Paragraph 2 of the RADS. (C)
- 3.6.3.2 For Customers with daily measurement equipped meters that have elected Telemetry, the Company shall have the authority to direct Customer Proxies to direct their Shippers to adjust Customer's daily consumption quantities or daily scheduled deliveries in order that daily scheduled deliveries (the SFO Level) match Customer's consumption. In order to determine the SFO Level the Company will include quantities: 1) scheduled and delivered on that day to the Company in the same Pipeline Scheduling Point in which the Shipper's customer(s)'s facilities are located; 2) contracted for under Rate SS – Standby Service; 3) available on that day pursuant to the Rider EBS-Option 1; or 4) additional quantities that may be made available to the Shipper by the Company at its sole discretion including quantities delivered to a Local Market Area other than the Local Market Area where the Customer is located in accordance with Paragraph 2 of the RADS. (C)
- 3.6.4 At the end of the normal billing cycle, the Company shall calculate the deliveries that the Shipper was required to deliver each day during the SFO as provided in the Seasonal Flow Order section in Paragraph 3 of the RADS. When a difference between the daily SFO Level and actual daily quantities available to meet the SFO Level exists, the following charges will be assessed on the difference:
- (1) If a Shipper under-delivers during an SFO that restricts under-deliveries, the charge for under-deliveries shall be calculated using the gas supply index identified in the Consumption in Excess of Deliveries section in Paragraph 3 of the RADS. The "Adjustment to Index Price" shall be the adjustment shown in the following table:

(C) Indicates Change

Issued: August 16, 2019

**M. A. Huwar
President**

Effective: October 15, 2019

Ratio of Under-Deliveries to Consumption	Adjustment to Index Price
0% - 10.00%	120%
10.01% and over	130%

- (2) If a Shipper over-delivers during an SFO that restricts over-deliveries, the charge for over-deliveries shall be calculated using the gas supply index identified in the Deliveries in Excess of Consumption section in this Paragraph 3 of the RADS; The “Adjustment to Index Price” shall be the adjustment shown in the following table:

Ratio of Over-Deliveries to Consumption	Adjustment to Index Price
0% - 10.00%	80%
10.01% and over	70%

- (3) The Customer Proxy shall also be required to pay all other charges incurred by the Company on the dates of the SFO that result from the Shipper's failure to comply with the SFO, including a proportionate share of any pipeline penalties that are incurred by the Company.

3.7 OPERATIONAL FLOW ORDERS (OFOs)

- 3.7.1 An OFO is a demand for specific actions on the part of Shippers. Customers subject to OFOs are those customers: (C)
- a. Who have meters without daily measurement equipment;
 - b. With daily measurement equipped meters who have not elected Telemetry;
 - c. Who have elected Telemetry and are awaiting installation of the new cellular modem device and whose existing meters are read daily using analog telephone lines when the analog line is not providing timely data;
 - d. With meters whose usage is billed under Rate Schedule SGDS.

- 3.7.2 An OFO will be issued, to the extent possible, with a minimum of eight (8) hours notice to the affected parties. Notice shall be made by the medium most reasonably expected to reach the Customer Proxy with as much notice as reasonably expected to reach the Customer Proxy in a timely manner, including but not limited to: e-mail, facsimile, or Nomination EBB. The notice will include the circumstance that warrants the issuance of the OFO or OMO, and it will explain why the actions are necessary. The notice will be provided via e-mail to the Pennsylvania P.U.C.

(C) Indicates Change

3.7 OPERATIONAL FLOW ORDERS (OFOs) - continued

3.7.3 The Company will have the authority to direct Customer Proxies to direct their Shippers to adjust daily quantities to a specified level (the Daily OFO Level). Generally, during peak design day conditions, the Daily OFO Level will be equal to the currently effective Maximum Daily Quantity. Should expected conditions be different than peak design day conditions, the Daily OFO Level may be greater or less than the currently effective Maximum Daily Quantity specified in the Customer's General Distribution Application and Agreement. In order to determine compliance with the OFO the Shipper may use gas quantities which are: 1) scheduled and delivered on that day to the Company in the same Pipeline Scheduling Point in which the Shipper's customer(s)'s facilities are located; 2) contracted for under Rate SS – Standby Service if the order is pertaining to an under-delivery situation; 3) available pursuant to the Rider EBS-Option 1; or 4) additional quantities that may be made available to the Shipper by the Company at its sole discretion including quantities delivered in accordance with the Limitation for Failure of Shipper to Provide Gas to the Company in Customer's Local Market Area section in Paragraph 2 of the RADS.

3.7 OPERATIONAL FLOW ORDERS (OFOs) - continued

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

- (1) A rate equal to one and one-half (1 ½) times the highest of the midpoint prices reflected in Platts Gas Daily for the day of the OFO non-compliance and based on pipeline scheduling point applicable indices as specified in the Platts “Gas Daily”, Daily Price Survey – Designation by Pipeline Scheduling Point paragraph of Rule 2. Rules Applicable to All Distribution Service in the Rules Applicable to Distribution Service of this tariff.

The charge will be multiplied by the therm difference, except however, the charge will not be assessed if the difference results from the Shipper delivering more than the Daily OFO Level during an OFO that restricts under-deliveries, or from the Shipper delivering less than the Daily OFO Level during an OFO that restricts over-deliveries; and,

- (2) The payment of all other charges incurred by the Company on the date of the OFO that results from the Shipper's failure to comply with the OFO, including a proportionate share of any pipeline penalties that are incurred by the Company.
- (3) In the event midpoint prices referenced in subparagraph (1) above, are not published in Platts Gas Daily for the day of the OFO non-compliance, the highest price paid by the Company on that day shall be used as the index price.
- (4) The Company shall update the applicable indices on 60 days' notice to Customer Proxies in the event of a change in applicable indices. Applicable indices are subject to change based upon changes in market circumstances.

3.8 OPERATIONAL MATCHING ORDERS (OMOs)

3.8.1 An OMO is a demand for specific actions on the part of Shippers. All Rate Schedule SDS, LDS and MLDS customers with daily measurement equipped meters who have elected Telemetry, except as specified in the Operational Matching Order section in Paragraph 3 of the RADs, are subject to the Company's issuance of OMOs. This includes customers who currently have daily read analog telephone lines that are providing timely usage information and who have elected Telemetry and are waiting installation of the new cellular modem device. (C)

3.8.2 Customers with daily measurement using an EFC who have elected Telemetry shall have a semi-annual option of choosing to be governed by OFOs or OMOs. Such option election shall be in writing and received by the Company no later than February 1st to be effective for the period of April 1st through October 31st, and no later than September 1st to be effective for the period of November 1st through March 31st. Once an eligible customer elects to be subject to an OFO, that election will remain in effect until the customer notifies the Company in writing. If no election is made, the default option shall be the OMO option. This includes customers who currently have daily read analog telephone lines that are providing timely usage information and who have elected Telemetry and are waiting for installation of the new cellular modem device. (C)

3.8.3 An OMO will be issued, to the extent possible, with a minimum of eight (8) hours notice to the affected parties. Notice shall be made by the medium most reasonably expected to reach the Customer Proxy with as much notice as reasonably expected to reach the Customer Proxy in a timely manner, including but not limited to: e-mail, facsimile, or Nomination EBB. The notice will include the circumstance that warrant the issuance of the OMO and explain why the actions required are necessary. The notice will be provided via e-mail to the PA PUC.

(C) Indicates Change (D) Indicates Decrease

3.8 OPERATIONAL MATCHING ORDERS (OMOs) - continued

3.8.4 The Company shall have the authority to direct Customer Proxies to adjust Customer's daily consumption or daily scheduled deliveries (Daily OMO Level) in order that daily scheduled deliveries match Customer's consumption. In order to comply with the OMO, the Shipper may use gas quantities which are: 1) scheduled and delivered on that day to the Company in the same Pipeline Scheduling Point in which the Shipper's customer(s)'s facilities are located; 2) contracted for under Rate SS – Standby Service if the order is pertaining to an under delivery situation; 3) available pursuant to the Rider EBS-Option 1; or 4) additional quantities that may be made available to the Shipper by the Company at its sole discretion including quantities delivered in accordance with the Limitation for Failure of Shipper to Provide Gas to the Company in Customer's Local Market Area section in Paragraph 2 of the RADS.

3.8.5 No later than April 1st of each year a customer with a meter subject to an OMO or the Customer Proxy shall select one of two options that the Company shall use to calculate the OMO customer's daily delivery requirement in the event of an equipment failure or network outage when such failure or outage prevents a customer or Customer Proxy from electronically retrieving the daily usage data by 1:00 PM Eastern Time for the gas day that ends at 10:00 AM Eastern Time on the same day. Such option selection shall be in writing and shall be effective for the following November 1st through October 31st period. The chosen option may only be changed for the subsequent November 1st through October 31st period by written notification received by the Company no later than the prior April 1st. (C)

3.8.5.1 Maximum Daily Quantity Option (C)

The customer or Customer Proxy shall use the previously issued OFO/OMO NOTICE to identify the daily OFO percentage for the PSP in which the customer's meter is located, and multiply the currently effective MDQ for the customer's meter by the OFO percentage to determine the confirmed delivery quantity required to comply with the OFO; or

3.8.5.2 Usage Option (C)

The customer or Customer Proxy shall estimate actual usage for the following gas day and multiply such estimated usage by the OMO percentage specified in the previously issued OFO/OMO NOTICE for the PSP in which the customer's meter is located to determine the confirmed delivery quantity required to comply with the OMO. The Company will multiply the actual usage by the applicable OMO percentage for that day to determine if the Customer or Customer Proxy complied with the OMO.

If confirmed gas deliveries are out of compliance with the calculations specified in the Maximum Daily Quantity Option or the Usage Option specified above, OMO penalties will be assessed based on the difference between the required confirmed delivery quantity and the actual confirmed delivery quantity for that day. (C)

(C) Indicates Change

- 3.8.6 When a difference exists between the Daily OMO Level and actual daily OMO compliance quantities delivered, charges will be assessed for non-compliance.
- 3.8.6.1 The non-compliance charges will be equal to one and one-half (1 ½) times the highest of the midpoint prices reflected in Platts Gas Daily for the day of the OMO non-compliance and based on pipeline scheduling point applicable indices as specified in the Platts “Gas Daily”, Daily Price Survey – Designation by Pipeline Scheduling Point paragraph of Rule 2. Rules Applicable to All Distribution Service in the Rules Applicable to Distribution Service of this tariff.
 - 3.8.6.2 The charge will be multiplied on the therm difference, except however, the charge will not be assessed if the difference results from the Shipper delivering more than the Daily OMO Level during an OMO that restricts under-deliveries, or from the Shipper delivering less than the Daily OMO Level during an OMO that restricts over-deliveries; and
 - 3.8.6.3 Payment of all other charges incurred by the Company on the date of the OMO that result from the Shipper's failure to comply with the OMO, including a proportionate share of any pipeline penalties that are incurred by the Company.
 - 3.8.6.4 In the event midpoint prices referenced in subparagraph (1) above, are not published in Platt Gas Daily for the day of the OMO non-compliance, the highest price paid by the Company on that day shall be used as the index price.
 - 3.8.6.5 The Company shall update the applicable indices on 60 days' notice to Customer Proxies in the event of a change in applicable indices. Applicable indices are subject to change based upon changes in market circumstances.

(C) Indicates Change (D) Indicates Decrease

3.15.1 Conditions:

3.15.1.1 Any NGS electing Aggregation service must sign an Aggregation service agreement.

3.15.1.2 Aggregation Agents will be allowed to establish one or more Aggregation Nomination Groups. Customers in an Aggregation Nomination Group must be located within the same Company Local Market Area and the same Pipeline Scheduling Point. Aggregation Agents must provide written notice to the Company that a Customer has elected to be in an Aggregation Nomination Group. The written notice must include the name of the Customer and the Customer's account number. Aggregation Nomination Groups must be comprised solely of General Distribution Service Customers.

3.15.1.3 The Aggregation Agent shall use its best efforts to achieve a balance between its deliveries and its Aggregation Nomination Group's total usage both on a daily and monthly basis, for each Aggregation Nomination Group. The Company reserves the right: (1) to require an Aggregation Agent to balance deliveries and takes of gas; or (2) to require a reasonably uniform daily delivery rate of gas which, at month's end, will equal the Aggregation Nomination Group's requirements for each Aggregation Nomination Group.

3.15.1.4 Aggregation Nomination Groups may include Customers taking service under any GDS rate schedule. Each Aggregation Nomination Group must contain only Customers that have elected the same option under Rider EBS.

3.15.1.5 An Aggregation Agent shall supply its Aggregation Nomination Group's full service requirements for natural gas. The Aggregation Agent accepts supply co-management responsibility as defined hereinafter.

3.15.1.6 Supply Co-Management Defined. The Aggregation Agent agrees to deliver gas supplies into the Company's designated City Gate receipt points on a daily basis, in accordance with the aggregate usage requirements of all those Customers that comprise the Aggregation Agent's Aggregation Nomination Group.

3.15.1.7 For those General Distribution Service Customers which are members of an Aggregation Agent's Aggregation Nomination Group without daily measurement, the Aggregation Agent agrees to the Company's estimate of takes. (C)

3.15.1.8 The Aggregation Agent agrees to pay all charges assessed to the Aggregation Agent by the Company as provided in the OFO and OMO sections of the Rules Applicable to Distribution Service. (C)

3.15.1.9 The Aggregation Agent shall also be required to balance its gas deliveries into the Company's system with the estimated overall usage levels of each individual Aggregation Nomination Group, in accordance with the provisions of Rider EBS.

(C) Indicates Change

3.15.1.10 The Company will provide the actual usage data for each Customer in that Aggregation Agent's Aggregation Nomination Group. The actual usage data provided will be for the Customer's most recent billing period as Customers are billed by the Company for Rates SGS-DS, SDS, LDS and MLS.

3.15.1.11 The Aggregation Agent's distribution quantities shall be determined from the Company's "Monthly Summary Billing Report." The "Monthly Summary Billing Report" reflects Customer's actual billed distribution quantities as reported to the Aggregation Agent, as generated within the Company's revenue reporting system.

3.15.2 Aggregation Service Under Rider EBS

3.15.2.1 The Aggregation Agent will be allowed to aggregate all participating individual Customer's quantities and any applicable bank tolerances for the purposes of administering Rider EBS.

3.15.2.2 Should a Customer, either by itself or through its Aggregation Agent terminate its General Distribution Aggregation Service, or its General Distribution Service, no portion of the aggregate bank will be assigned to the Customer. Should all the Customers in an Aggregation Nomination Group, either by themselves or through their Aggregation Agent, terminate their General Distribution Aggregation Service or their General Distribution Service, and the Aggregation Agent has no other Aggregation Nomination Group to transfer the bank of gas, then the bank may be purchased by the Company at a price determined in accordance with the Deliveries in Excess of Consumption paragraph of these Rules Applicable to Distribution Service.

3.15.2.3 At the close of each business month, an accounting will be made comparing the total quantities delivered into the Aggregation Nomination Group versus the consumption of the Customers within the Aggregation Nomination Group. For Nomination Aggregation Groups comprised of customers electing Rider EBS-Option 1 or Rider EBS-Option 2, the accounting shall compare the Nomination Aggregation Group's total monthly deliveries to its total monthly consumption.

3.15.2.4 Should the total consumption of the Nomination Aggregation Group exceed its total deliveries, adjusted for unaccounted-for gas and appropriate Customer's Btu adjustments, plus for Nomination Aggregation Groups comprised of customers electing Rider EBS-Option 1, any bank of gas from the previous month, the Aggregation Agent shall be charged an amount for recovery of purchased gas costs as set forth in the Consumption in Excess of Deliveries paragraph of these Rules Applicable to Distribution Service plus the non-gas portion of commodity rates contained in the first block of Rate SGS - Small General Service.

(C) Indicates Change