

53.64(c)(3) A complete listing of sources of gas supply transportation or storage and their costs, including shut-in and curtailed sources of supply, both inside and outside this Commonwealth considered by or offered to the utility but not chosen for use during the past 12 months, which 12-month period shall end 2 months prior to the date of the tariff filing, and the reasons why the gas supply, transportation or storage was not selected for use as a part of the utility's supply mix. A similar listing of gas sources, transportation or storage and associated projected costs offered or considered but not chosen to meet supply for the next 20 months, along with reasons for non-selection.

Response:

1. Pennsylvania Production - CPA continues to work with local producers who have natural gas wells in close proximity to CPA's pipelines and who desire to sell that gas either to CPA or to a third party involved in CPA's gas transportation program. Working with the producer, a determination is made as to whether or not the expected delivery volume can support the expense of new facilities, and if CPA's market where the production is located is able to receive the new supply without backing off previously connected local gas production in the vicinity. CPA has continued its practice to purchase such quantities of local gas offered that economically and physically can be received, so long as it meets CPA's gas quality standards. Opportunities to acquire such supplies are limited, and result in deliveries that are relatively small compared to CPA's overall gas supply requirements.

2. Spot Market Interstate Supplies - Prior to each month CPA determines an estimated requirement for spot market gas supplies. The determination is made utilizing CPA's monthly planning process. Once a spot requirement is determined a dynamic purchasing process takes place. CPA negotiates and completes the spot purchases based upon the best obtainable price under then existing market conditions during the purchasing period.

3. Transportation or Storage Capacity - For the twelve month period ending January 31, 2015, CPA was offered several services, as additions to its existing capacity that were reviewed and rejected. The attached schedule, found on sheet 2 of this exhibit, lists those services offered and rejected, as well as the reasons for the non-selection.

COLUMBIA GAS OF PENNSYLVANIA, INC.

STORAGE AND TRANSPORTATION SERVICES OFFERED DURING LAST 12 MONTHS

SERVICE PROVIDER	SERVICE	OFFER	DELIVERY LOCATION	ANNUAL DEMAND COST (\$/DTH PEAK DAY CAPACITY)	REASONS FOR REJECTION / ACCEPTANCE
Texas Eastern Transmission, LLC	Appalachian to Market Project	Open Season	Various points on Texas Eastern's system	Incrementally Priced	CPA is fully contracted for the capacity needed to fulfill its firm service obligations.
Golden Triangle Storage	Firm Storage Service - Production Area	Open Season	Receipt Point & Delivery Point - Texas Eastern ELA (Louisiana)	Market Based Pricing	Adds cost to existing services
Columbia Gas Transmission, LLC	Firm Storage Service (FSS & FSS-M)	Limited Term Open Season	Various points on TCO's system	FSS = Recourse Rates FSS-M = \$2.22 per Dth	CPA is fully contracted for the capacity needed to fulfill its firm service obligations.
Jefferson Island Storage	Firm Storage Service - Production Area	Open Season	Receipt Point & Delivery Point - Columbia Gulf or Tennessee Zone SL (Louisiana)	Market Based Pricing	Adds cost to existing services