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December 16, 2020

**Via E-Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Fl.  
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works,  
Docket No. R-2020-3017206

Office of Consumer Advocate v. Philadelphia Gas Works,  
Docket No. C-2020-3019161

Office of Small Business Advocate v. Philadelphia Gas Works,  
Docket No. C-2020-3019100

Philadelphia Industrial and Commercial Gas User Group v. Philadelphia Gas Works,  
Docket No. C-2020-3019430

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Dear Secretary Chiavetta:

Enclosed for electronic filing please find: (1) Philadelphia Gas Works' ("PGW") Gas Service Tariff Pa. P.U.C. No. 2, Supplement No. 137; (2) PGW Gas Supplier Tariff Pa. P.U.C. No. 1, Supplement No. 93; and (3) PGW's Proof of Revenue calculations that demonstrate that the tariff adjustments comply with the provisions of the Commission's November 19, 2020 Opinion and Order ("Order") in the above-referenced matter. These documents are being filed pursuant to Ordering Paragraphs 9 through 11 of the Commission's Order. In accordance with that Order, this Supplements shall become effective on January 1, 2021.

Supplement No. 137 to PGW's Gas Service Tariff reflects the first phase of PGW's approved rate increase effective January 1, 2021. PGW will file supplements to its Gas Service Tariff to implement the second and third phases of its rate increase prior to July 1, 2021, and January 1, 2022, respectively.

The enclosed Proof of Revenue was originally filed as Exhibit 1 to the Joint Petition for Partial Settlement filed on August 26, 2020. Please note that the Merchant Function Charges ("MFC") have been updated in Supplement No. 137 to PGW's Gas Service Tariff but that the Proof of

Revenue has not been modified to reflect the updated MFC since the MFC do not affect PGW's revenue requirement. A chart demonstrating PGW's calculation of the MFC is enclosed.

Copies are being served in accordance with the attached Certificate of Service.

If you have any questions, please contact us.

Sincerely,



Daniel Clearfield  
Enclosure

cc: Hon. Marta Guhl w/enc.  
Hon. Darlene Heep w/enc.  
Certificate of Service w/enc.

## **CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of PGW's Tariff Supplements upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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Dated: December 16, 2020



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Daniel Clearfield, Esq.

# PHILADELPHIA GAS WORKS

## GAS SUPPLIER TARIFF



Issued by: Craig White  
President and CEO  
PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

Rates to become effective January 1, 2021 in accordance with the Commission's Order entered November 19, 2020 at Docket No. R-2020-3017206.

**List of Changes Made by this Tariff**

**TABLE OF CONTENTS (Page No. 6)**

Updated to reflect revised page numbers.

**7.2 SUPPLIER OBLIGATIONS (Page No. 28)**

Modified to require Suppliers to accept released capacity before the start of each month and to permit PGW to bill Suppliers who fail to do so for capacity plus a penalty charge of \$50 per day per release.

**13.6 SUPPLIER EXIT AND POOL BALANCE SETTLEMENT (Page No. 54)**

Modified provisions to clarify the appropriate price for the purchase of gas to settle a Supplier's pool balance when a Supplier has exited the market and no longer serves any customers in the Philadelphia Gas Works Service Area.

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## 7. SUPPLIER OBLIGATIONS

### 7.1 Confidentiality of Information.

7.1.A. General. Without the Company's consent, the Supplier shall not disclose to any third party any Company information made available to a Supplier in connection with the provision of the Firm Pooling Agreement, including, but not limited to, usage data, and information regarding the Company's computer and communications systems. Subject to applicable law, the Company shall not disclose to any third party any Supplier information made available to the Company in connection with the provision of the Firm Pooling Agreement, including, but not limited to, usage data and information regarding the Supplier's computer and communications systems, without the Supplier's consent.

7.1.B. Customer Information. The Supplier shall keep all Customer-specific information supplied by the Company confidential unless the Supplier has the Customer's written authorization to do otherwise.

7.2. Suppliers must accept a release, assignment or transfer on a recallable basis of a pro rata share of Company's applicable interstate pipeline firm transportation at the applicable contract rate, or if authorized by Company, obtain firm pipeline transportation capacity assignable to the Company for delivery of gas supply to delivery point(s) determined by Company in an amount sufficient to meet the peak requirements of Firm Transportation customers being served with this capacity. Suppliers are required to accept released capacity through the pipeline electronic bulletin boards before the beginning of each month. If a Supplier fails to do so, PGW reserves the right to bill the Supplier directly for the capacity plus a penalty charge (\$50 per day per release).

(C)

7.3. A Supplier must provide and maintain a bond or other financial guarantee in a form and amount as set forth in Section 11 that is acceptable to Company.

7.4. A Supplier must acquire or agree to acquire an adequate supply of natural gas on a firm basis to serve Supplier's Firm Transportation Customer pool and make or cause to be made arrangements by which such gas supplies can be transported to Company's city gates, as directed by Company. Such supplies must be ranked on the transporting pipeline at the pipeline's Predetermined Allocation ranking which guarantees firm delivery.

7.5. A Supplier must enter into a Firm Pooling Agreement, in a form substantially similar to the form set forth in the Appendix to this Supplier Tariff to serve Customers under Firm Transportation. Company, in its sole discretion, may alter or revise the terms and conditions set forth in the Pro Forma Pooling Agreement.

7.6. A Supplier participating in PGW's POR program must enter into a POR agreement acceptable to the Company. The Company, in its sole discretion, may alter or revise the terms and conditions set forth in the form agreement.

7.7. A Supplier must comply with the Company system reliability requirements, including Daily Operational Bulletins (DOBs), Operational Flow Orders (OFOs), and notice requirements as set forth in this Supplier Tariff.

7.8. A Supplier must comply with applicable communications standards, including approved Internet based procedures.

7.9. A Supplier must cooperate with Company in the preparation of an annual reliability plan presented to the PUC.

### **(C) - Change**



13.6. SUPPLIER EXIT AND POOL BALANCE SETTLEMENT

When a supplier has officially exited the market and no longer serves any customers in the Philadelphia Gas Works Service Area, the Supplier's pool balance must be settled. If the Supplier owes the Company gas, the Supplier must purchase the gas from the Company at a 12-month average of the Daily Market Index Price. If the Company owes the Supplier gas, the Company must purchase the gas from the Supplier at a 12-month average of the Daily Market Index Price.

(C)

**(C) - Change**

**PHILADELPHIA GAS WORKS**  
**GAS SERVICE TARIFF**



Issued by: Craig White  
President and CEO

PHILADELPHIA GAS WORKS  
800 West Montgomery Avenue  
Philadelphia, PA 19122

Rates to become effective January 1, 2021 in accordance with Commission's Order entered November 19, 2020 at Docket No. R-2020-3017206.

### **List of Changes Made by this Tariff Supplement**

#### **TABLE OF CONTENTS (Page Nos. 6-7)**

Updated to reflect revised page numbers for each of the changes listed below on this page

#### **DEFINITION OF GAS SERVICE TARIFF (Page No. 12)**

Corrected typographical error in spelling of “superseded.”

#### **MERCHANT FUNCTION CHARGE (Page No. 78)**

Changed the Merchant Function Charge percentages. Added a Merchant Function Charge percentage for GS Public Housing Customers.

#### **PRICE TO COMPARE (Page No. 78)**

Changed the Merchant Function Charges. Added a Merchant Function Charge for GS Public Housing Customers.

#### **UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE (Page No. 81)**

Increased the Universal Service and Energy Conservation Surcharge from \$0.19266/Ccf to \$0.19603/Ccf.

#### **GENERAL SERVICE – RATE GS (Page No. 83)**

Changed the customer charges and delivery charges effective January 1, 2021, as follows. For Residential Customers, the customer charge increases from \$13.75 to \$14.10 and delivery charge increases from \$0.66967 to \$0.68642. For Public Housing customers, the customer charge increases from \$13.75 to \$14.10 and the delivery charge increases from \$0.57105 to \$0.59444. For Commercial Customers, the customer charge increases from \$23.40 to \$24.00 and the delivery charge increases from \$0.48651 to \$0.49570. For Industrial Customers, the customer charge increases from \$70.00 to \$71.80 and the delivery charge increases from \$0.47698 to \$0.48825. Clarified that Rate GS is not available for back-up service.

#### **MUNICIPAL SERVICES – RATE MS (Page No. 87)**

Effective January 1, 2021, the customer charge increases from \$23.40 to \$24.00 and the delivery charge increases from \$0.42723 to \$0.44159.

#### **PHILADELPHIA HOUSING AUTHORITY SERVICE – RATE PHA (Page No. 90)**

Effective January 1, 2021, the customer charge increases from \$23.40 to \$24.00 and the delivery charge increases from \$0.50163 to \$0.51393.

#### **INTERRUPTIBLE TRANSPORTATION – RATE IT (Page No. 115)**

Changed the rates for distribution charges for existing customers as follows. For existing IT-A customers, the rate per Mcf / per Dth delivered changes from \$2.2885 / 2.2068 to \$2.4146 / 2.3307. For existing IT-B customers, the rate per Mcf / per Dth delivered changes from \$1.1077 / 1.0682 to \$1.1687 / 1.1281. For existing IT-C customers, the rate per Mcf / per Dth delivered changes from \$0.8643 / 0.8335 to \$0.9119 / 0.8802. For existing IT-D customers, the rate per Mcf / per Dth delivered changes from \$0.7669 / 0.7395 to \$0.8091 / 0.7810. For existing IT-E customers, the rate per Mcf / per Dth delivered changes from \$0.7426 / 0.7161 to \$0.7835 / 0.7563.

**BACK-UP SERVICE – RATE BUS (Page No. 154)**

Clarified that the Rate BUS tariff provision applies: (1) in any instance in which an applicant is seeking to obtain firm gas service to run any type of operable back-up, supplementary, standby, emergency, electric or heat generation equipment; and (2) to gas service for any system for which natural gas is not the primary fuel. Added language on availability of IT rates for interruptible back-up service. Eliminated requirement that the Company provide an analysis for the rate and provide a recommendation about whether the rate should continue in its next base rate case.

**TECHNOLOGY AND ECONOMIC DEVELOPMENT RIDER / MICRO-COMBINED HEAT AND POWER INCENTIVES (Page No. 155)**

Modified the Technology and Economic Development Rider so that it continues beyond the initial three-year pilot period. Corrected reference to “fuels cells” to “fuel cells.” Changed the Micro-Combined Heat and Power Incentives offered to (1) \$1,000 per kW installed up to 20 kW; and (2) \$750 per kW installed greater than 20 kW and less than or equal to 50 kW.

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**DISPUTE** - An unresolved grievance raised by a Customer with PGW about PGW's application of a provision covered by 52 Pa. Code Chapter 56, as amended or supplemented. If, at the conclusion of an initial contact, or when applicable, a follow-up response, the Customer, Applicant or occupant indicates satisfaction with the resulting resolution or explanation, the contact will not be considered a dispute.

**DISTRIBUTION CHARGE** – The charge for Transportation Service provided by PGW.

**ESTIMATED READING** - During the months when the Company does not read the Customer's meter, gas usage is projected based on previous gas usage, gas rates, and the weather.

**FOREIGN LOAD** - A situation where a Customer's meter registers usage for utility service provided to another person or other persons, or for use in a common area shared by others, for example, hallway lighting, furnace fan, or laundry room appliances.

**GAS CHOICE PROGRAM** - The firm gas transportation program offered by the Company pursuant to the Gas Choice Act, 66 Pa.C.S. §§ 2201 et seq.

**GAS SERVICE** - See definition for Basic Utility Service.

**GAS SERVICE TARIFF (TARIFF)** is PGW Gas Tariff - Pa P.U.C. No. 2 as supplemented or superseded from time to time in accordance with law. (C)

**HOUSEHOLD INCOME** – The combined gross annual income of all adults in a residential household and those who benefit from the Gas Service.

**INFORMAL COMPLAINT** - A complaint filed with the PUC by a Customer that does not involve a formal proceeding before a PUC administrative law judge or mediation under the direction of a PUC administrative law judge.

**LATE PAYMENT CHARGE** - A charge placed on any bill not paid by the due date.

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)** - A federally funded program, administered by the Pennsylvania Department of Public Welfare that assists low income households with payment of their heating bills through energy assistance grants. For eligible households, the grants include crisis grants for household energy related emergencies, cash benefits for home heating fuel, and energy conservation and weatherization solutions.

**Mcf** - 1,000 cubic feet of gas; this is a measure of gas usage.

**NATURAL GAS (GAS)** - Includes natural gas, liquified natural gas, synthetic natural gas and any natural gas substitutes including, but not limited to, liquified propane and naphtha.

**NATURAL GAS CHOICE AND COMPETITION ACT** - (Gas Choice Act or the Act) - 66 Pa.C.S. §§ 2201 et seq.

**(C) - Change**

### MERCHANT FUNCTION CHARGE (“MFC”)

The MFC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The MFC is based on Gas Cost Rate multiplied by a fixed uncollectible percentage established in the Company’s last general base rate proceeding. The MFC will not be reconciled to reflect actual results. The MFC is intended to make the Company’s Price to Compare more comparable to the gas supply services price offers of other Natural Gas Suppliers that presumably reflect anticipated uncollectible expenses. The following percentages will be applied to the quarterly Gas Cost Rate in order to calculate the quarterly MFC: 3.62% - GS Residential (“GS RES”); 3.62% - GS Public Housing (“GS PHA”); 0.91% - GS Commercial (“GS COM”); and 0.42% - GS Industrial (“GS IND”). The current MFC is set forth below in the Price to Compare table. (C)

### GAS PROCUREMENT CHARGE (“GPC”)

The GPC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The GPC will remain in effect until reviewed and updated in the Company’s next general base rate proceeding.

Current Gas Procurement Charge = \$0.00400/Ccf

### PRICE TO COMPARE (“PTC”)

The PTC is composed of the Sales Service Charge (“SSC”), Gas Adjustment Charge (“GAC”), the Merchant Function Charge and the Gas Procurement Charge. The PTC will change whenever any of the components of the PTC change. The current PTC is (per Ccf):

	<b>GS-RES</b>	<b>GS-PH</b>	<b>GS-COM</b>	<b>GS-IND</b>	<b>MS</b>	<b>PHA</b>	<b>NGVS</b>	
<b>SSC</b>	\$0.44830	\$0.44830	\$0.44830	\$0.44830	\$0.44830	\$0.44830	\$0.44830	
<b>GAC</b>	(\$0.06359)	(\$0.06359)	(\$0.06359)	(\$0.06359)	(\$0.06359)	(\$0.06359)	(\$0.06359)	
<b>MFC</b>	\$0.01393	\$0.01393	\$0.00350	\$0.00162	\$0.00000	\$0.00000	\$0.00000	(C)
<b>GPC</b>	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	
<b>PTC</b>	\$0.40264	\$0.40264	\$0.39221	\$0.39033	\$0.38871	\$0.38871	\$0.38871	(C)

(C) – Change



## UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE

Universal service and energy conservation program and related costs will be recovered by a Universal Service and Energy Conservation Surcharge applicable to all volumes of Gas delivered.

1. The Surcharge will recover: 1) the discounts provided to Customers pursuant to the Customer Responsibility Program (CRP); 2) the discounts provided to Customers pursuant to the Senior Citizen Discount; 3) the costs of PGW's Low Income Usage Reduction Program (LIRUP), known as the Home Comfort Program (previously known as the Conservation Works Program (CWP), the Enhanced Low Income Retrofit Program (ELIRP) and the CRP Home Comfort Program); 4) the costs of the pilot Conservation Incentive Credit program; and, 5) for Customers entering the CRP program on or after September 1, 2003, past due arrearages forgiven pursuant to paragraph A (6) of the CRP/CAP Program Design Stipulation approved by the Commission by its order at M-00021612 (entered March 31, 2003).
2. Computation of the Universal Service and Energy Conservation Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
3. Once the surcharge is in place it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total universal service and energy conservation program costs approved for annual recovery by the estimated applicable throughput in Mcfs.
4. The Universal Service and Energy Conservation Surcharge shall take effect upon the effective date of this Tariff.

Current Universal Service and Energy Conservation Surcharge = \$0.19603/Ccf. **(I)**

**(I) - Increase**

**GENERAL SERVICE - RATE GS**

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after January 1, 2021. (C)

AVAILABILITY

Available for any purpose where the Company's distribution mains adjacent to the proposed Gas Service location are, or can economically be made, suitable to supply the quantities of Gas or Transportation Services required. Not available for back-up service, refer to Rate BUS. (C)

RATES

CUSTOMER CHARGE (per Meter (except parallel meters)):

\$ 14.10	per month for Residential and Public Housing Authority Customers.	(I)
\$ 24.00	per month for Commercial Customers	(I)
\$ 71.80	per month for Industrial Customers	(I)

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to GS Customers who transport gas through a qualified NGS):

\$0.38484	per Ccf for Residential and Public Housing
\$0.38484	per Ccf for Commercial Customers
\$0.38484	per Ccf for Industrial Customers

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.68642	per Ccf for Residential	(I)
\$0.59444	per Ccf for Public Housing	(I)
\$0.49570	per Ccf for Commercial and Municipal Customers	(I)
\$0.48825	per Ccf for Industrial Customers	(I)

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; Restructuring and Consumer Education Surcharge; Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

**(I) – Increase; (C) - Change**

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

## MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after January 1, 2021.

### AVAILABILITY

Available to properties owned or occupied by the City of Philadelphia or the Board of Education, or any of their respective agencies or instrumentalities, for any type of Gas Service, unless purchased for resale to others, and where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required; provided, however, that the rate shall not be available to Commercial Tenants of any such property.

### RATES

CUSTOMER CHARGE (per Meter (except parallel meters):

\$ 24.00 per month

(I)

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to MS Customers who transport Gas through a qualified NGS):

\$0.38484 per Ccf

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.44159 per Ccf

(I)

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(I) – Increase

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

**PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA**

Rate: Applicable to all Retail Sales Service or Transportation Services rendered pursuant to this Rate Schedule on or after January 1, 2021.

AVAILABILITY

Available for all Gas usage in multiple dwelling Residential buildings containing 10 or more dwelling units, owned and operated by the Philadelphia Housing Authority, where cooking shall be performed exclusively with Gas and where Gas Service shall be supplied through one or more single point metering arrangements at locations where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required.

This rate is also available for all Gas usage in single and multiple dwelling Residential buildings, containing less than 10 dwelling units, provided, and only so long as, Gas is used exclusively for cooking, water heating and space heating for all such Residential buildings owned and operated by the Philadelphia Housing Authority, except (a) buildings operated by the Philadelphia Housing Authority, prior to the original effective date of this rate (January 1, 1969), and (b) buildings for which, in the judgment of the Company, such Gas Service cannot be provided economically.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters);

\$24.00 per month

(I)

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to PHA customers who transport gas through a qualified NGS):

\$0.38484 per Ccf

Plus

DISTRIBUTION CHARGE (consisting of item (A) and (B), below):

(A) Delivery Charge:

\$0.51393 per Ccf

(I)

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

**(I) – Increase**

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

CHARGES

1. MONTHLY BILL

The monthly bill shall consist of the sum of the monthly Customer charge and the Distribution Charge as detailed below:

<u>CUSTOMER CHARGE</u>	<u>(\$ Per Meter Per Month</u> <u>(Parallel Meters are considered one meter)</u>	
IT-A:	152.16	
IT-B:	273.89	
IT-C:	273.89	
IT-D:	273.89	
IT-E:	426.06	
<u>DISTRIBUTION CHARGE</u>	<u>Rate (\$) Per Mcf / Dth Delivered*</u>	
IT-A:	2.4146/ 2.3307	(I)
IT-B:	1.1687 / 1.1281	(I)
IT-C:	0.9119 / 0.8802	(I)
IT-D:	0.8091 / 0.7810	(I)
IT-E:	0.7835/ 0.7563	(I)

\*The distribution charge may be the product of a negotiated rate and may include long-term contracts of up to five years as mutually agreed to by the Company and the Customer. This negotiated rate may be higher than, but not lower than, the distribution charges set forth above and may include additional minimum take requirements.

**(I) – Increase**

## BACK-UP SERVICE – RATE BUS

Rate Applicable to: Back-Up Service as described below.

### AVAILABILITY

Available at the Company's sole discretion where the Customer has installed any type of operable back-up, supplementary, standby, emergency, electric or heat generation equipment and who from, time to time, will require Gas from the Company for the Customer's operation of that equipment. This rate shall also apply to gas service for any system for which natural gas is not the primary fuel. (C)

If a Customer is seeking interruptible back-up service, the Customer may take interruptible service at IT rates if the Customer meets all requirements of Rate IT, including that the Customer must: (1) have installed and operable alternative fuel equipment, including appropriate fuel storage capacity, capable of displacing the daily quantity of Gas subject to curtailment or interruption; or, in the alternative, (2) demonstrate to the Company's sole satisfaction the ability to manage its business without the use of Gas during periods of curtailment or interruption. (C)

### RATES and TERMS OF SERVICE

Contracts stipulating the negotiated rate and negotiated terms of Back-up Service may be entered into between the Company and Customer when the Company, in its sole discretion, deems such offering to be economically advantageous to the Company. Service under this rate is firm.

Back-up Service shall be separately metered subject to the Company's technical determination that more than one meter is required to correctly measure the total gas service rendered. Should the Company determine that this service be separately metered, the Company will issue a separate bill pursuant to a rate schedule applicable for the usage on the separate meter. Otherwise, if so determined by the Company to be technically feasible, the Company shall allow gas usage for such equipment to be measured by the customer's existing meter. (C)

As part of its annual Gas Cost Rate (GCR) filings, PGW will provide the number of customers, sales levels and costs incurred for these customers. (C)

**(C) - Change**

**TECHNOLOGY AND ECONOMIC DEVELOPMENT RIDER  
MICRO-COMBINED HEAT AND POWER INCENTIVES**

AVAILABILITY

**TECHNOLOGY AND ECONOMIC DEVELOPMENT RIDER:** The Technology and Economic Development (TED) Rider is a negotiated rider available that will be utilized to support the expansion of new technologies such as, but not limited to, combined heat and power (CHP), natural gas vehicles, and fuel cells, to develop brownfields, and support economic development in Pennsylvania by facilitating business retention and attraction, as well as other gas distribution system expansion activities. The TED Rider is available to those Customers served by the Company that the Company determines, in its sole discretion, have prospective additional gas usage applicable to service for firm service non-residential customers on Tariff Rate Schedules for General Service (Rate GS), Municipal Service (Rate MS), Philadelphia Housing Authority Service (Rate PHA) and Developmental Natural Gas Vehicle Service (Rate NGVS) at the time of execution or renewal of a service agreement. The TED Rider is established for the purpose of adjusting the customer's overall distribution charge to address project-specific or competitive issues to gain access to and expand use of natural gas within the Commonwealth of Pennsylvania. The negotiated TED Rider may be either a surcharge or credit depending on project-specific customer and Company economic requirements, such that the overall economics must meet the requirements of Section 10 of this Tariff. As part of its Gas Cost Rate (GCR) filings, PGW will provide data on sales and costs for TED customers.

(C)

(C)

GENERAL TERMS

The Customer must execute a TED Rider service agreement.

RATES

Customer Charge: Negotiable

Plus

Delivery Charge (per ccf): Negotiable

AVAILABILITY

**MICRO-COMBINED HEAT AND POWER INCENTIVES:** For projects involving micro-CHP units no larger than 50 kW, the following Micro-CHP Incentives may be available for qualifying projects: (1) \$1,000 per kW installed up to 20 kW; and (2) \$750 per kW installed greater than 20 kW and less than or equal to 50 kW. The Incentive is available to those Customers served by the Company that the Company determines, in its sole discretion, have prospective additional gas usage applicable to service for Rate GS Commercial/Industrial customers, Rate MS customers and Rate PHA customers on a pilot basis for a three-year period beginning on the effective date of this tariff supplement. The economic test that will be utilized by the Company to determine eligibility for participation will include the costs of the incentives.

(C)

(C) - Change