

# **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: June 27, 2024

EFFECTIVE: July 1, 2024

ISSUED BY: MARK KEMPIC, 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 Pages No. 2 and 2a.

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

<b>Page</b>	<b>Page Description</b>	<b>Revision Description</b>
Cover	Tariff Cover Page	Supplement No., Issued and Effective Date.
2-2a	List of Changes	List of Changes.
16	Rate Summary	The "Pass-through Charge" has increased. The "Total Effective Rate" has increased.
21	Rider Summary	The "Universal Service Plan – Rider USP" has increased.
21b	Pass-through Charge Summary	The "Universal Service Plan – Rider USP" has increased. The "Total Pass-through Charge" has increased for rate schedules RSS and RDS.

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Columbia Gas of Pennsylvania, Inc.

<b>Rate Summary</b>								
Rate per thm								
Residential Rate Schedules	Distribution Charge	Gas Supply Charge	Gas Cost Adjustment	Pass-Through Charge	State Tax Adjustment Surcharge	Distribution System Improvement Charge (DSIC)	Rider EE-Energy Efficiency Rider	Total Effective Rate
		1/		2/	3/	4/	5/	
<b><u>Rate RSS - Residential Sales Service</u></b>								
Customer Charge	\$ 16.75				(0.01)	0.20	-	16.94
Usage Charge	\$ 0.91069	0.23757	(0.00237)	0.34259	(0.00040)	0.01075	0.00304	1.50187
<b><u>Rate RDS - Residential Distribution Service</u></b>								
Customer Charge	\$ 16.75				(0.01)	0.20	-	16.94
Usage Charge:								
Customers Electing CHOICE	\$ 0.91069	-	-	0.31278	(0.00040)	0.01075	0.00304	1.23686
<p>1/ Please see Page No. 21a for rate components.                  2/ Please see Page No. 21b for rate components.                  3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.                  4/ The DSIC percentage is reflected on Page No. 21 and is applied to the Customer Charge and the Distribution Charge.                  5/ Rider EE is reflected on Page No. 21 and is applied to the Distribution Charge.</p>								

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Columbia Gas of Pennsylvania, Inc.

<b>Rate Summary</b>							
Rate per thm							
Commercial / Industrial Rate Schedules ≤ 64,400 therms - 12 Months Ending October	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Distribution System Improvement Charge (DSIC) 4/	Total Effective Rate
<b><u>Rate SGSS - Small General Sales Service</u></b>							
Customer Charge:							
Annual Throughput ≤ 6,440 thm	\$ 29.92				(0.01)	0.35	30.26
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 57.00				(0.03)	0.67	57.64
Usage Charge							
Annual Throughput ≤ 6,440 thm	\$ 0.69747	0.23518	(0.00237)	0.25002	(0.00031)	0.00823	1.18822
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 0.59489	0.23518	(0.00237)	0.25002	(0.00026)	0.00702	1.08448
<b><u>Rate SCD - Small Commercial Distribution</u></b>							
Customer Charge:							
Annual Throughput ≤ 6,440 thm	\$ 29.92				(0.01)	0.35	30.26
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 57.00				(0.03)	0.67	57.64
Usage Charge: Customers Electing CHOICE							
Annual Throughput ≤ 6,440 thm	\$ 0.69747	-	-	0.22021	(0.00031)	0.00823	0.92560
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 0.59489	-	-	0.22021	(0.00026)	0.00702	0.82186
<b><u>Rate SGDS - Small General Distribution Service</u></b>							
Customer Charge:							
Annual Throughput ≤ 6,440 thm	\$ 29.92				(0.01)	0.35	30.26
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 57.00				(0.03)	0.67	57.64
Usage Charge - Priority One							
Annual Throughput ≤ 6,440 thm	\$ 0.68756	-	-	0.25002	(0.00030)	0.00811	0.94539 5/
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 0.58497	-	-	0.25002	(0.00026)	0.00690	0.84163 5/
Usage Charge - Non-Priority One							
Annual Throughput ≤ 6,440 thm	\$ 0.68756	-	-	0.00010	(0.00030)	0.00811	0.69547 5/
Annual Throughput > 6,440 thm and ≤ 64,400 thm	\$ 0.58497	-	-	0.00010	(0.00026)	0.00690	0.59171 5/
1/ Please see Page No. 21a for rate components.							
2/ Please see Page No. 21b for rate components.							
3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.							
4/ The DSIC percentage is reflected on Page No. 21 and is applied to the Customer Charge and the Distribution Charge.							
5/ Plus Rider EBS Option 1 or 2 - See Page 21.							

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<b>Rate Summary</b>							
Rate per thm							
Commercial / Industrial Rate Schedules > 64,400 therms - 12 Months Ending October	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Distribution System Improvement Charge (DSIC) 4/	Total Effective Rate
<b>Rate LGSS - Large General Sales Service</b>							
Customer Charge:							
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 267.11				(0.12)	3.15	270.14
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 1,211.59				(0.53)	14.30	1,225.36
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 2,986.82				(1.31)	35.24	3,020.75
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 4,645.73				(2.04)	54.82	4,698.51
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 8,959.14				(3.94)	105.72	9,060.92
Annual Throughput > 7,500,000 thm	\$ 13,272.55				(5.84)	156.62	13,423.33
Usage Charge:							
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 0.45681	0.23420	(0.00237)	0.24992	(0.00020)	0.00539	0.94375
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 0.42709	0.23420	(0.00237)	0.24992	(0.00019)	0.00504	0.91369
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 0.23433	0.23420	(0.00237)	0.24992	(0.00010)	0.00277	0.71875
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 0.20785	0.23420	(0.00237)	0.24992	(0.00009)	0.00245	0.69196
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.18652	0.23420	(0.00237)	0.24992	(0.00008)	0.00220	0.67039
Annual Throughput > 7,500,000 thm	\$ 0.11099	0.23420	(0.00237)	0.24992	(0.00005)	0.00131	0.59400
<b>Rate SDS - Small Distribution Service</b>							
Customer Charge:							
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 267.11				(0.12)	3.15	270.14
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 1,211.59				(0.53)	14.30	1,225.36
Usage Charge:							
Annual Throughput > 64,400 thm and <= 110,000 thm	\$ 0.45681	-	-	-	(0.00020)	0.00539	0.46200 5/
Annual Throughput > 110,000 thm and <= 540,000 thm	\$ 0.42709	-	-	-	(0.00019)	0.00504	0.43194 5/
<b>Rate LDS - Large Distribution Service</b>							
Customer Charge:							
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 2,986.82				(1.31)	35.24	3,020.75
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 4,645.73				(2.04)	54.82	4,698.51
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 8,959.14				(3.94)	105.72	9,060.92
Annual Throughput > 7,500,000 thm	\$ 13,272.55				(5.84)	156.62	13,423.33
Usage Charge:							
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 0.23433	-	-	-	(0.00010)	0.00277	0.23700 5/
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 0.20785	-	-	-	(0.00009)	0.00245	0.21021 5/
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.18652	-	-	-	(0.00008)	0.00220	0.18864 5/
Annual Throughput > 7,500,000 thm	\$ 0.11099	-	-	-	(0.00005)	0.00131	0.11225 5/

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

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

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

4/ The DSIC percentage is reflected on Page No. 21 and is applied to the Customer Charge and the Distribution Charge.

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

Columbia Gas of Pennsylvania, Inc.

**Rate Summary**

Rate per thm

Main Line Service Rate Schedules Commercial / Industrial	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-through Charge 2/	State Tax Adjustment Surcharge 3/	Distribution System Improvement Charge (DSIC) 4/	Total Effective Rate
<b>Rate MLSS - Main Line Sales Service</b>							
Customer Charge:							
Annual Throughput > 274,000 thm and <= 540,000 thm	\$ 469.34				(0.21)	5.54	474.67
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,149.00				(0.51)	13.56	1,162.05
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,050.00				(0.90)	24.19	2,073.29
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 4,096.00				(1.80)	48.33	4,142.53
Annual Throughput > 7,500,000 thm	\$ 7,322.00				(3.22)	86.40	7,405.18
Usage Charge:							
MLS Class I Annual Throughput > 274,000 thm	\$ 0.00937	0.23420	(0.00237)	0.24992	0.00000	0.00011	0.49123
MLS Class II:							
Annual Throughput > 2,146,000 thm and <= 3,400,000 thm	\$ 0.04481	0.23420	(0.00237)	0.24992	(0.00002)	0.00053	0.52707
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.03876	0.23420	(0.00237)	0.24992	(0.00002)	0.00046	0.52095
Annual Throughput > 7,500,000 thm	\$ 0.03355	0.23420	(0.00237)	0.24992	(0.00001)	0.00040	0.51569
<b>Rate MLDS - Main Line Distribution Service</b>							
Customer Charge:							
Annual Throughput > 274,000 thm and <= 540,000 thm	\$ 469.34				(0.21)	5.54	474.67
Annual Throughput > 540,000 thm and <= 1,074,000 thm	\$ 1,149.00				(0.51)	13.56	1,162.05
Annual Throughput > 1,074,000 thm and <= 3,400,000 thm	\$ 2,050.00				(0.90)	24.19	2,073.29
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 4,096.00				(1.80)	48.33	4,142.53
Annual Throughput > 7,500,000 thm	\$ 7,322.00				(3.22)	86.40	7,405.18
Usage Charge:							
MLS Class I Annual Throughput > 274,000 thm	\$ 0.00937	-	-	-	0.00000	0.00011	0.00948 5/
MLS Class II:							
Annual Throughput > 2,146,000 thm and <= 3,400,000 thm	\$ 0.04481	-	-	-	(0.00002)	0.00053	0.04532 5/
Annual Throughput > 3,400,000 thm and <= 7,500,000 thm	\$ 0.03876	-	-	-	(0.00002)	0.00046	0.03920 5/
Annual Throughput > 7,500,000 thm	\$ 0.03355	-	-	-	(0.00001)	0.00040	0.03394 5/

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

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

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**Columbia Gas of Pennsylvania, Inc.**

<b>Other Rates Summary</b>		
Rate per thm		
Description	Rate \$/ thm	Applicable Rate Schedules
<b>Penalty Credit/Pipeline Refund Passback - Residential</b>	(0.00472) <sup>1/</sup>	RSS/RDS/CAP
<b>Penalty Credit/Pipeline Refund Passback - Non-Residential</b>	\$ (0.00102) <sup>2/</sup>	SGSS/SGDS-P1/SCD/LGSS/MLSS
<b>Price to Compare for Residential Gas Supply</b>	\$ 0.26501 <sup>3/</sup>	RSS
<b>Price to Compare for Commercial Gas Supply</b>	\$ 0.26262 <sup>3/</sup>	SGSS (< = 64,400 thms)
<b>State Tax Adjustment Surcharge Percentage</b>	(0.044%)	Customer and Distribution Charges on all rates
<b>Rate SS - Standby Service</b>	\$ 1.11459	Per therm based on a customer's Maximum Daily Firm Requirement. See Pages 134 - 136 herein for detail.

<sup>1/</sup> Penalty Credit and Pipeline Refund passback rate of (\$0.00472) effective January 2024-December 2024  
<sup>2/</sup> Penalty Credit and Pipeline Refund passback rate of (\$0.00102) effective January 2024-December 2024  
<sup>3/</sup> Please see Page No. 21c for rate components.

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Columbia Gas of Pennsylvania, Inc.

**Rider Summary**

Riders	Rate	Applicable Rate Schedules
<b>Customer Choice - Rider CC</b>	\$ 0.00010 /thm	RSS/RDS/SGSS/SGDS/SCD/DGDS
<b>Universal Service Plan - Rider USP</b>	\$ 0.09627 /thm	RSS/RDS
<b>Distribution System Improvement Charge - Rider DSIC</b>	1.18%	This percentage is applied to the Distribution Charge and the Customer Charge. See Pages 177-180a for Rider DSIC details.
<b>Elective Balancing Service - Rider EBS:</b>		
Option 1 - Small Customer	\$ 0.01553 /thm	SGDS/SDS
Option 1 - Large Customer	\$ 0.00810 /thm	LDS/MLDS
Option 2 - Small Customer	\$ 0.00697 /thm	SGDS/SDS
Option 2 - Large Customer	\$ 0.00226 /thm	LDS/MLDS
<b>Gas Procurement Charge - Rider GPC</b>	\$ 0.00113 /thm	RSS/SGSS/LGSS/MLSS
<b>Merchant Function Charge - Rider MFC</b>	\$ 0.00337 /thm	RSS
<b>Merchant Function Charge - Rider MFC</b>	\$ 0.00098 /thm	SGSS
<b>Purchased Gas Cost - Rider PGC</b>	Pg. 21a & 21b	Rate Schedules specified on Page 21a & 21b
<b>Energy Efficiency Rider</b>	\$ 0.00304 /thm	RSS/RDS
<b>State Tax Adjustment Surcharge Percentage</b>	(0.044%)	Customer and Distribution Charges on all rates

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Columbia Gas of Pennsylvania, Inc.

<b>Gas Supply Charge Summary</b>				
Rate per thm				
Rate Schedule	PGCC	Rider GPC	Rider MFC	Total Gas Supply Charge
<b>Rate CAP - Customer Assistance Plan</b>	\$ 0.23307	0.00113	0.00337	0.23757
<b>Rate RSS - Residential Sales Service</b>	\$ 0.23307	0.00113	0.00337	0.23757
<b>Rate SGSS - Small General Sales Service</b>	\$ 0.23307	0.00113	0.00098	0.23518
<b>Rate LGSS - Large General Sales Service</b>	\$ 0.23307	0.00113	-	0.23420
<b>Rate MLSS - Main Line Sales Service</b>	\$ 0.23307	0.00113	-	0.23420

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<b>Pass-through Charge Summary</b>							
Rate per thm							
Rate Schedule	PGDC	PGDC "E" Factor	Capacity Assignment Factor	Pipeline Refund/ Penalty Credits	Rider CC	Rider USP	Total Pass- through
<b>Rate CAP - Customer Assistance Plan</b>	\$ 0.24135	0.00959	-	(0.00472)	-	-	0.24622
<b>Rate RSS - Residential Sales Service</b>	\$ 0.24135	0.00959	-	(0.00472)	0.00010	0.09627	0.34259
<b>Rate SGSS - Small General Sales Service</b>	\$ 0.24135	0.00959	-	(0.00102)	0.00010	-	0.25002
<b>Rate LGSS - Large General Sales Service</b>	\$ 0.24135	0.00959	-	(0.00102)	-	-	0.24992
<b>Rate MLSS - Main Line Sales Service</b>	\$ 0.24135	0.00959	-	(0.00102)	-	-	0.24992
<b>Rate RDS - Residential Distribution Service</b>	\$ 0.24135	0.00959	(0.02981)	(0.00472)	0.00010	0.09627	0.31278
<b>Rate SCD - Small Commercial Distribution (Choice)</b>	\$ 0.24135	0.00959	(0.02981)	(0.00102)	0.00010	-	0.22021
<b>Rate SGDS - Small General Distribution Service</b>							
Priority One (P1)	\$ 0.24135	0.00959	-	(0.00102)	0.00010	-	0.25002
Non-Priority One (NP1)	-	-	-	-	0.00010	-	0.00010
<b>Rate SDS - Small Distribution Service</b>	\$ -	-	-	-	-	-	-
<b>Rate LDS - Large Distribution Service</b>	\$ -	-	-	-	-	-	-
<b>Rate MLDS - Main Line Distribution Service</b>	\$ -	-	-	-	-	-	-

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Columbia Gas of Pennsylvania, Inc.

Price-to-Compare (PTC) Summary							
Rate per thm							
<u>Customer Class</u>	<u>PGCC</u>	<u>Gas Cost Adjustment</u>	<u>Capacity Assignment Factor</u>	<u>Rider GPC</u>	<u>Rider MFC</u>	<u>Total Price-to-Compare</u>	
<b>Residential</b>	\$ 0.23307	(0.00237)	0.02981	0.00113	0.00337	0.26501	
<b>Commercial &lt; = 64,400 thm/year</b>	\$ 0.23307	(0.00237)	0.02981	0.00113	0.00098	0.26262	

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**RIDER PGC - PURCHASED GAS COST****PROVISIONS FOR RECOVERY OF PURCHASED GAS COSTS****RIDER PGC APPLICABLE TO SALES SERVICE CUSTOMERS**

Rates for each thm of gas supplied to sales customers subject to this Rider under the Rate RSS, Rate SGSS, Rate LGSS, and Rate MLSS rate schedules shall include \$0.48164 per thm for recovery of purchased gas costs. This rate includes the commodity cost component (CC) of \$0.23307 per thm, the commodity "E" Factor component (CE) of (\$0.00237) per thm, the demand cost component (DC) of \$0.24135 per thm, and the demand "E" Factor component of \$0.00959 per thm. (I)

**RIDER PGC APPLICABLE TO SGDS PRIORITY ONE CUSTOMERS**

Rates for each thm of gas distributed under the Rate SGDS rate schedules for Priority-One Service customers shall include \$0.25094 per thm for recovery of Purchased Gas Demand Costs (PGDC). This rate includes the DC of \$0.24135 per thm and the demand "E" Factor component of \$0.00959 per thm. (I)

**RIDER PGC CHARGED TO CHOICE DISTRIBUTION SERVICE CUSTOMERS**

Rates for each thm of gas distributed under Rate RDS and Rate SCD shall include \$0.22113 per thm for recovery of Purchased Gas Demand Costs. This rate includes the DC of \$0.24135 per thm, the Capacity Assignment Factor (CAF) of (\$0.02981) per thm and the DC "E" Factor component of \$0.00959 per thm. The CAF represents costs not assignable to Choice Distribution Service customers. (I)(D)

Such rates shall be increased or decreased, from time to time, as provided by Section 1307(f) of the Public Utility Code and the Commission's Regulations, to reflect changes in the level of purchased gas costs, as calculated in the manner set forth below.

**PRESENTATION ON CUSTOMER BILLS**

For sales service customers served under Rate RSS, Rate SGSS, Rate LGSS and Rate MLSS, the Pass-through Charge includes the PGDC of \$0.24135 per thm plus the demand "E" Factor of \$0.00959 per thm. The two factors total \$0.25094 per thm. The Gas Supply Charge includes the PGCC of \$0.23307 per thm. The Gas Cost Adjustment is the commodity "E" Factor of (\$0.00237) per thm. (I)

For General Distribution Service customers served under Priority-One Rate SGDS, the Pass-through Charge includes the PGDC of \$0.24135 per thm and the demand "E" Factor component of \$0.00959 per thm, totaling \$0.25094 per thm. (I)

For Choice Distribution Service customers served under Rate RDS or Rate SCD, the Pass-through Charge includes the PGDC of \$0.24135 per thm, the CAF of (\$0.02981) per thm and the demand "E" Factor component of \$0.00959 per thm, all of which total \$0.22113 per thm. (I)(D)

**QUARTERLY UPDATES**

The Company's rates for recovery of purchased gas costs are also subject to quarterly adjustments under procedures set forth in the Commission's regulations at 52.Pa. Code § 53.64 (i) (5). Such updates shall reflect, in addition to the provisions of the regulation, adjustments to the projected commodity cost of purchased gas based upon more current versions of the same sources of data and using the same methods to project the commodity cost of purchased gas approved by the Commission in the Company's most recent annual proceeding for recovery of purchased gas costs under section 1307(f) of the Public Utility Code.

(D) Indicates Decrease (I) Indicates Increase

## RIDER PGC - PURCHASED GAS COST (Continued)

### COMPUTATION OF PURCHASED GAS DEMAND COSTS PER THM – Continued

Supplier Refunds and Pipeline Penalty Credits that are not included in "CE" will be included in the calculation of "DE". Supplier Refunds and Pipeline Penalty Credits will include interest added at the annual rate of six percent (6%) calculated from the month received to the effective month such refund is refunded. The period over which such refunds will be made shall be established by the Commission.

"S" - projected thms of gas to be billed to customers under the distribution charges of the Rate RSS, Rate SGSS, Rate LGSS, and Rate MLSS rate schedules plus the projected thm of gas to be distributed to customers under Rate RDS, Rate SCD and SGDS Priority One Distribution rate schedules of this Tariff during the period when rates will be in effect.

The portion of Supplier Refunds and Penalty Credits that would otherwise be credited to residential customers shall be credited to the Hardship Fund (mentioned in the USP Rider section of this tariff) when the balance of the Hardship Fund falls below \$750,000. The non-residential portion of Supplier Refunds and Penalty Credits will be credited to applicable non-residential customers through the PGC. When the Hardship Fund balance is \$750,000 or more, and Pipeline Supplier Refunds and Pipeline Penalty Credits received by the Company will be included in the calculation of the PGDC as specified above.

### PROVISION OF PURCHASED GAS DEMAND COST CREDIT DUE TO CUSTOMERS ELECTING CHOICE DISTRIBUTION SERVICE – CAPACITY ASSIGNMENT FACTOR (CAF)

The Purchased Gas Demand Cost (PGDC) rate included in the Pass-through Charge billed to Choice Distribution Service customers served under Rate RDS or Rate SCD shall be \$0.21154 per thm. Such rate shall be equal to the PGDC component of \$0.24135 per thm as calculated above, less the CAF of \$0.02981 per thm. The CAF shall be equal to the projected annual cost of assigned Firm Capacity less estimated annual storage commodity costs (storage injection, withdrawal, shrinkage and commodity transportation cost) with the net divided by the estimated, normalized annual usage of customers electing Choice Distribution Service. The CAF of \$0.02981 per thm representing costs not assignable to CHOICE customers shall be included in the Price-to-Compare. (I)

### DETERMINATION OF OVER/UNDERCOLLECTION OF GAS COSTS

#### Commodity E-factor

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

- (a) All experienced purchased gas commodity costs actually incurred by the Company to service customers pursuant to all rate schedules of this Tariff.

Experienced purchased gas commodity costs shall include, but not be limited to, the following:

- (1) payments to suppliers to accept assignment of capacity on interstate pipelines other than Columbia Gas Transmission, LLC to the extent permitted under the Rules Applicable to Distribution Service;
- (2) costs paid for employing futures, options and other risk management tools, including but not limited to, supplier related costs associated with the fixed price contracts or financial contracts utilized by the Company to lessen the impact of price volatility for PGC customers; and
- (3) the index price of gas purchased from distribution customers under the provisions of the Deliveries in Excess of Consumption section of Paragraph 3 of the Rules Applicable to Distribution Service.

(D) Indicates Decrease (I) Indicates Increase

## RIDER DSIC - DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of 1.18% will apply consistent with the Commission Order dated March 14, 2013 at Docket No. P-2012-2338282, approving the DSIC. (I)

### GENERAL DESCRIPTION

#### Purpose

To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Utility with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

#### Eligible Property

The DSIC-eligible property will consist of the following:

- Piping (account 376);
- Couplings (account 376);
- Gas services lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (account 381);
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and
- Other related capitalized costs.

#### Effective Date

The DSIC will become effective for bills rendered on and after July 1, 2024. (C)

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