

January 26, 2022

VIA Electronic Filing

Ms. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
Dobbs Building
430 North Salisbury Street
Raleigh, North Carolina 27603

*Re: Clean Versions of Tariff and Service Regulations
Docket Nos. G-5, Sub 632, and G-5, Sub 634*

Dear Ms. Dunston:

In accordance with Ordering Paragraph 5 of the Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice issued by the North Carolina Utilities Commission in the above-referenced proceedings on January 21, 2022 (“Rate Case Order”), enclosed for filing on behalf of Public Service Company of North Carolina, Inc., d/b/a Dominion Energy North Carolina (“PSNC” or the “Company”), are the Clean Versions of New and Revised Tariff and Service Regulations.

Please note that, as approved in the Rate Case Order, rates shown on the Summary of Rates and Charges reflect the correction of errors in the levelized flowback of federal unprotected excess deferred income tax (“EDIT”) and state EDIT. This correction was addressed in PSNC and the Public Staff’s December 2, 2021, filing titled “Corrected Exhibit to Stipulation of Settlement, Revised Exhibits to Testimony, and Revised Joint Late-Filed Exhibit 2.” The rate adjustments associated with the correction are shown on Revised Settlement Exhibit K in the December 2, 2021, filing. Adjustments to current rates are shown on Schedule A to this letter.

Except for Service Regulations Appendix A – Transportation Pooling Agreement, the effective date for all tariff and service regulation revisions is February 1, 2022. The Company proposes an effective date of April 1, 2022, for the Transportation Pooling Agreement to allow for sufficient time to complete execution of new agreements with poolers, implement necessary changes to the electronic bulletin board that will enable imbalance trading, and conduct training for poolers on these changes.

Finally, the interest rate of 6.57% shown in Riders C, D, and E reflects the after-tax rate agreed to in section 24 of the Stipulation of Settlement. The marked-up riders included in Exhibit F to the Stipulation of Settlement showed the rate before taxes.

Ms. Shonta Dunston, Chief Clerk

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Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

/s/Mary Lynne Grigg

MLG:kjg

Enclosures

**Clean Versions of
New and Revised Tariff and Service Regulations**

Public Service Company of North Carolina, Inc.
Docket No. G-5, Sub 632
Docket No. G-5, Sub 634

Summary of Rates and Charges			
<u>RATE SCHEDULE NO. AND DESCRIPTION</u>		<u>CHARGES (a)</u>	
101 -	RESIDENTIAL SERVICE		
	Facilities Charge	\$10.00	per month
	Winter Energy Charge – November through April	\$1.19481	per Therm
	Summer Energy Charge – May through October	\$1.11588	per Therm
102 -	HIGH-EFFICIENCY RESIDENTIAL SERVICE		
	Facilities Charge	\$10.00	per month
	Winter Energy Charge – November through April	\$1.07884	per Therm
	Summer Energy Charge – May through October	\$0.99991	per Therm
115 -	UNMETERED LIGHTING SERVICE		
	Facilities Charge	\$10.00	per month
	Winter Energy Charge – November through April	\$1.15734	per Therm
	Summer Energy Charge – May through October	\$1.07841	per Therm
125 -	SMALL GENERAL SERVICE		
	Facilities Charge	\$17.50	per month
	Energy Charge First 500	\$0.99341	per Therm
	Next 4,500	\$0.93362	per Therm
	All Over 5,000	\$0.87388	per Therm
126 -	SMALL GENERAL SERVICE - COOLING		
	Facilities Charge	\$30.00	per month
	Energy Charge	\$0.84858	per Therm
127 -	HIGH-EFFICIENCY SMALL GENERAL SERVICE		
	Facilities Charge	\$17.50	per month
	Energy Charge First 500	\$0.89314	per Therm
	Next 4,500	\$0.83335	per Therm
	All Over 5,000	\$0.77361	per Therm
135 -	NATURAL GAS VEHICLE FUEL		
	Energy Charge	\$1.36073	per Therm
	Energy Charge	\$1.715	per GGE (b)
140 -	MEDIUM GENERAL SERVICE		
	Facilities Charge	\$100.00	per month
	Energy Charge First 1,000	\$0.86971	per Therm
	All Over 1,000	\$0.81951	per Therm
145 -	LARGE-QUANTITY GENERAL SERVICE		
	Facilities Charge	\$300.00	per month
	Energy Charge First 15,000	\$0.71377	per Therm
	Next 15,000	\$0.68767	per Therm
	Next 15,000	\$0.66435	per Therm
	Next 15,000	\$0.63388	per Therm
	Next 1,000,000	\$0.60854	per Therm
	All Over 1,060,000	\$0.59028	per Therm

Summary of Rates and Charges		
<u>RATE SCHEDULE NO. AND DESCRIPTION</u>	<u>CHARGES (a)</u>	
150 - LARGE-QUANTITY INTERRUPTIBLE COMMERCIAL AND INDUSTRIAL SERVICE		
Facilities Charge	\$600.00	per month
Energy Charge First 15,000	\$0.64114	per Therm
Next 15,000	\$0.61495	per Therm
Next 70,000	\$0.58880	per Therm
Next 500,000	\$0.56303	per Therm
All Over 600,000	\$0.53689	per Therm
160 - SPECIAL SALES RATE		
Facilities Charge	\$600.00	per month
Energy Charge	See Rate Schedule No. 160	
165 - SPECIAL TRANSPORTATION RATE		
Facilities Charge	\$600.00	per month
Energy Charge	See Rate Schedule No. 165	
175 - FIRM TRANSPORTATION SERVICE CUSTOMERS QUALIFYING FOR SERVICE ON RATE SCHEDULE NO. 145		
Facilities Charge	\$300.00	per month
Transportation Charge First 15,000	\$0.16818	per Therm
Next 15,000	\$0.14230	per Therm
Next 15,000	\$0.11917	per Therm
Next 15,000	\$0.08896	per Therm
Next 1,000,000	\$0.06383	per Therm
All Over 1,060,000	\$0.05504	per Therm
180 - INTERRUPTIBLE TRANSPORTATION SERVICE FOR CUSTOMERS QUALIFYING FOR SERVICE ON RATE SCHEDULE NO. 150		
Facilities Charge	\$600.00	per month
Energy Charge First 15,000	\$0.12422	per Therm
Next 15,000	\$0.09824	per Therm
Next 70,000	\$0.07230	per Therm
Next 500,000	\$0.04673	per Therm
All Over 600,000	\$0.02080	per Therm

Summary of Rates and Charges

<u>RIDER AND DESCRIPTION</u>	<u>CHARGES (a)</u>	
Rider A - EMERGENCY SERVICES		
Emergency Service	\$20.00 plus cost of gas	per Dekatherm
Unauthorized Gas	\$50.00 plus cost of gas	per Dekatherm
Rider G - GREENTHERM™ PROGRAM SURCHARGE	\$_____	per Block

MISCELLANEOUS FEE SCHEDULE

LATE PAYMENTS	1% of balance in arrears per month
RETURNED CHECKS AND BANK DRAFTS	\$25.00
RECONNECTION (c)	
Residential – Regular Hours	\$80.00
--After 5 p.m., weekends, holidays	\$120.00
Non-Residential – Regular Hours	\$120.00
--After 5 p.m., weekends, holidays	\$150.00

- (a) Rates shown do not include applicable taxes.
- (b) The rate converts 1.26 Therms to 1 Gasoline Gallon Equivalent (GGE).
- (c) All reconNECTIONS that exceed one hour shall be billed the indicated rates per hour.

RATE SCHEDULE NO. 101

RESIDENTIAL SERVICE

This Rate Schedule is available to residential Customers. Family care homes as defined in G.S. 168-21 may elect Service under this Rate Schedule. Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Bills under this Rate Schedule are subject to the Customer Usage Tracker set forth in Rider C of this Tariff and the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 25 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 102

HIGH-EFFICIENCY RESIDENTIAL SERVICE

This Rate Schedule is available to a residential Customer who qualifies for Service on Rate Schedule No. 101 and whose Residence is certified to meet the standards of the Energy Star program of the U.S. Department of Energy and U.S. Environmental Protection Agency or the standards of the North Carolina Energy Conservation Code - High Efficiency Residential Option (HERO). Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Service under this Rate Schedule will begin after Customer has provided Company with certification that Customer's Residence meets the Energy Star or HERO standards and will continue to be available at such Residence provided the Residence and any modifications thereto continue to meet the applicable standards. Company shall have the right to inspect Customer's Premises for compliance with these requirements.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Bills under this Rate Schedule are subject to the Customer Usage Tracker set forth in Rider C of this Tariff and the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 25 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 115

UNMETERED LIGHTING SERVICE

This Rate Schedule is available for Customer owned unmetered gas lighting Service located wherever Gas is available within the certificated Service territory of Company. All Gas delivered is for use exclusively in permanently installed Gas lighting devices, including Gas lanterns, connected to Company's distribution system. Monthly consumption for billing under this Rate Schedule is determined based upon the manufacturer's BTU rating for each Gas lighting device according to the following formula:

$$\text{monthly consumption (Therms)} = \frac{\text{BTU rating (BTU/hour)} \times 24 \text{ hours/day} \times 365.25 \text{ days/year}}{12 \text{ months/year} \times 100,000 \text{ BTU/Therm}}$$

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

One Facilities Charge will be billed per Account. However, if an existing Customer adds a Gas lighting device at Premises currently receiving Service, no additional Facilities Charge will be billed beyond that currently billed to Customer.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 25 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of the Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 125

SMALL GENERAL SERVICE

This Rate Schedule is available to commercial and small industrial Customers that are primarily engaged in the sale of goods or services, manufacturing, schools, institutions, and governmental agencies, including single-metered health care facilities. This Rate Schedule is available to master metered apartment buildings, but is not available to any individual Customer who qualifies for Service under Rate Schedule No. 101. Family care homes as defined in G.S. 168-21 may elect Service under Rate Schedule No. 101. Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Customer Usage Tracker set forth in Rider C of this Tariff and the Integrity Management Tracker set forth in Rider E of this Tariff.

The rates shown on the Summary of Rates and Charges for this Rate Schedule do not include applicable federal, state, or local highway motor fuel use taxes. Where applicable, bills rendered under this Rate Schedule will include such taxes.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 126

SMALL GENERAL SERVICE - COOLING

This Rate Schedule is available to commercial and small industrial Customers utilizing Gas-fired desiccant dehumidification systems or Gas-fired absorption or Gas engine-driven air conditioning units. Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balances in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customers or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 127

HIGH-EFFICIENCY SMALL GENERAL SERVICE

This Rate Schedule is available to a commercial or small industrial Customer that qualifies for Service on Rate Schedule No. 125 and that occupies a building that is LEED-certified by the U.S. Green Building Council. Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Service under this Rate Schedule will begin after Customer has provided Company with the LEED certification for the building that Customer occupies and will continue to be available at such location provided the building and any modifications thereto continue to have LEED certification. Company shall have the right to inspect Customer's Premises for compliance with these requirements.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Customer Usage Tracker set forth in Rider C of this Tariff and the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 135

NATURAL GAS VEHICLE FUEL

This Rate Schedule is available to Customers for the consumption of Gas as a motor fuel. Service under this Rate Schedule shall be metered by Company for purposes of providing public access to compressed natural gas fueling facilities. The nature of Service provided under this Rate Schedule is interruptible sales Service.

Rate

The applicable Energy Charge is set forth in the currently effective Summary of Rates and Charges of this Tariff and is incorporated herein by reference. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

The rates shown on the Summary of Rates and Charges for this Rate Schedule do not include applicable federal, state, or local highway motor fuel use taxes. Charges at the filling stations will include such taxes.

Payment of Charges

Charges shall be paid at the time of Service with a valid credit or debit card accepted by Company, except that Customers who have been issued an access key by Company will be billed monthly. Such bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for Customers whose Service was discontinued for nonpayment of bill.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

MEDIUM GENERAL SERVICE

This Rate Schedule is available to commercial and industrial Customers using in excess of 25,000 Therms per year. Separate Meters, separate Accounts, and separate locations may not be combined for billing under this Rate Schedule.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Customer Usage Tracker set forth in Rider C of this Tariff and the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months of discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 145

LARGE-QUANTITY GENERAL SERVICE

This Rate Schedule is available to any large commercial or industrial Customer using in excess of 6,000 Dekatherms per year, subject to an adequate supply of Gas and delivery capability at the location of the Customer's Premises.

Once a qualified Customer elects Service under this Rate Schedule, Service will be provided for a term extending through the following August 31; provided, however, that a new, qualifying Customer may change its election from this Rate Schedule to Rate Schedule No. 175 one time during the initial twelve-month period of Service. Customer may elect to discontinue Service under this Rate Schedule and receive Service from Rate Schedule No. 175 by giving written notice to Company prior to June 1 of any year. Proper notice having been provided, Customer shall discontinue Service under this Rate Schedule effective the following September 1.

Customer may switch between this Rate Schedule and Rate Schedule No. 150 one time during any twelve-month period, provided that Customer qualifies for Service under Rate Schedule No. 150 before switching to Service under that Rate Schedule.

All Gas purchased under this Rate Schedule shall be separately measured from any Gas purchased or transported under any other Rate Schedule. Separate Meters, separate Accounts, and separate locations may not be combined in determining quantities for billing purposes.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customers or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 150

LARGE-QUANTITY INTERRUPTIBLE COMMERCIAL AND INDUSTRIAL SERVICE

This Rate Schedule is available to any large commercial or industrial Customer using in excess of 50 Dekatherms per day on an annual basis, adjusted for curtailment.

Once a qualified Customer elects Service under this Rate Schedule, Service will be provided for a term extending through the following August 31; provided, however, that a new, qualifying Customer may change its election from this Rate Schedule to Rate Schedule No. 180 one time during the initial twelve-month period of Service. Customer may elect to discontinue Service under this Rate Schedule and receive Service from Rate Schedule No. 180 by giving written notice to Company prior to June 1 of any year. Proper notice having been provided, Customer shall discontinue Service under this Rate Schedule effective the following September 1.

Customer may switch between this Rate Schedule and Rate Schedule No. 145 one time during any twelve-month period, provided that Company's consent is obtained before Customer may switch to Service under Rate Schedule No. 145. Company will grant such consent if it has, or is able to acquire under commercially reasonable terms and conditions, the necessary Gas supplies and capacity to provide Service to Customer under Rate Schedule No. 145.

All Gas purchased under this Rate Schedule shall be separately measured from any Gas purchased or transported under any other Rate Schedule. Separate Meters, separate Accounts, and separate locations may not be combined in determining quantities for billing.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Energy Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

When Customer has the installed and operable capability to burn an alternate fuel and the equivalent alternate fuel cost is less than the Energy Charge under this Rate Schedule, Customer may be served under Rate Schedule No. 160. In order to receive Service under Rate Schedule No. 160, Customer must maintain separately metered Accounts for each type of alternate fuel.

The minimum monthly bill is the Facilities Charge. The Facilities Charge will be waived in any month when Company is unable to deliver any Gas during that billing month. Service under this Rate Schedule is subject to Rider A of this Tariff.

Curtailment

Although not required to maintain alternate fuel capability in order to receive Service under this Rate Schedule, Customer exclusively bears all business, operational, mechanical, or other risks associated with the interruption or curtailment of Service. Company may require curtailment of Service for any reason it deems necessary or appropriate. Customer must be capable of being 100% curtailed on two hours' notice. In case of non-compliance with a curtailment order, Company shall have the right to valve off Service when necessary, in Company's sole opinion, to protect Service to higher margin Customers.

Notice of a curtailment is effective when issued and posted on Company's electronic bulletin board. Customer shall provide Company with the names, titles, telephone numbers, and email addresses of at least two representatives authorized by Customer to receive curtailment notices and shall promptly notify Company of any changes to such information.

RATE SCHEDULE NO. 150 (Continued)

Unauthorized Gas

Emergency Service under Rider A of this Tariff shall be available to Customers served during any curtailment period, up to a maximum of 10 Dekatherms per day, at the rate for Emergency Service set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. Emergency Service above 10 Dekatherms per day may be available to Customers at Company's sole discretion, and upon prior written notification and approval. If Company does not authorize Emergency Service above 10 Dekatherms per day and a Customer fails to discontinue the use of Gas after two hours' notice that Gas under this Rate Schedule is not available, all Gas so used shall be paid for by Customer at the rate for Unauthorized Gas set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. In addition, Customer shall reimburse Company for any expenses caused by Customer's failure to discontinue use of Gas, including but not limited to any incremental charges, assessments, or penalties imposed by an upstream interstate pipeline and the cost of any Gas used or purchased by Company during the day of Customer's failure to the extent that the cost of such Gas per Dekatherm exceeds the cost of Gas calculated under Rider A.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customers or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 160

SPECIAL SALES RATE

This Rate Schedule is available to any Rate Schedule No. 150 Customer that has installed and operable alternate fuel capability on those occasions when Company determines that available Gas is not needed to provide Service under its other Rate Schedules containing fixed rates and that Customer's equivalent alternate fuel cost is less than the Energy Charge under Rate Schedule No. 150. Customer must maintain separately metered Accounts for each type of alternate fuel. Company may require Customer to demonstrate that its alternate fuel capability is able to operate prior to providing Service under this Rate Schedule. All sales under this Rate Schedule are provided only in accordance with Company's guidelines as may be revised from time to time.

All Gas purchased under this Rate Schedule shall be measured separately from Gas purchased or transported under any other Rate Schedule. Service under this Rate Schedule is temporary and Company has the right to discontinue such Service on two hours' notice. Service under this Rate Schedule will be provided at Company's sole discretion.

In order to receive Service under this Rate Schedule, Customer must maintain separately metered Accounts for each type of alternate fuel. On any given Account, all equipment must be able to accept 100% curtailment on two hours' notice and be capable of burning the same type of alternate fuel. Customer must be capable of being 100% curtailed on two hours' notice. In case of non-compliance with a curtailment order, Company shall have the right to valve off Service when it is necessary in Company's sole opinion to protect Service to higher margin Customers.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

Customer shall pay Company for all Service provided under this Rate Schedule at a rate agreed to by Customer and Company prior to delivery, plus the Facilities Charge set forth on the currently effective Summary of Rates and Charges of this Tariff and incorporated herein by reference. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Curtailement

Customer exclusively bears all business, operational, mechanical, or other risks associated with the interruption or curtailment of Service. Company may require curtailment of Service for any reason it deems necessary or appropriate.

Notice of a curtailment is effective when issued and posted on Company's electronic bulletin board. Customer shall provide Company with the names, titles, telephone numbers, and email addresses of at least two representatives authorized by Customer to receive curtailment notices and shall promptly notify Company of any changes to such information.

RATE SCHEDULE NO. 160 (Continued)

Unauthorized Gas

At Company's sole discretion, and upon prior written notification and approval, Emergency Service under Rider A of this Tariff may be available to Customers served during any billing period when Customer is served under this Rate Schedule. If Company does not authorize Emergency Service, and in the event a Customer fails to discontinue the use of Gas after two hours' notice that Service under this Rate Schedule is not available, all Gas so used shall be paid for by Customer at the rate for Unauthorized Gas set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. In addition, Customer shall reimburse Company for any expenses and liabilities imposed on Company caused by Customer's failure to discontinue use of Gas, including but not limited to any incremental charges, assessments, or penalties imposed by an upstream interstate pipeline and the cost of any Gas used or purchased by Company during the day of Customer's failure to the extent that the cost of such Gas per Dekatherm exceeds the cost of Gas calculated under Rider A.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO.165

SPECIAL TRANSPORTATION RATE

This Rate Schedule is available to any Rate Schedule No. 180 Customer that has installed and operable alternate fuel capability on those occasions when Company determines that available transportation Service is not needed to provide Service under its other Rate Schedules containing fixed rates and that Customer's equivalent alternate fuel cost is less than the combined cost of Gas received from Customer's independent supply and the Transportation Charge under Rate Schedule No. 165. Customer must maintain separately metered Accounts for each type of alternate fuel. Company may require Customer to demonstrate that its alternate fuel capability is able to operate prior to providing Service under this Rate Schedule. All sales under this Rate Schedule are provided only in accordance with Company's guidelines as may be revised from time to time.

All transportation Service purchased under this Rate Schedule shall be measured separately from Gas purchased or transported under any other Rate Schedule. Service under this Rate Schedule is temporary and Company has the right to discontinue such Service on two hours' notice. Service under this Rate Schedule will be provided at Company's sole discretion.

In order to receive Service under this Rate Schedule, Customer must maintain separately metered Accounts for each type of alternate fuel. On any given Account, all equipment must be able to accept 100% curtailment on two hours' notice and be capable of burning the same type of alternate fuel. Customer must be capable of being 100% curtailed on two hours' notice. In case of non-compliance with a curtailment order, Company shall have the right to valve off Service when it is necessary in Company's sole opinion to protect Service to higher margin Customers.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

Customer shall pay Company for all Service provided under this Rate Schedule at a rate agreed to by Customer and Company prior to delivery, plus the Facilities Charge set forth on the currently effective Summary of Rates and Charges of this Tariff and incorporated herein by reference. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

Curtailment

Customer exclusively bears all business, operational, mechanical, or other risks associated with the interruption or curtailment of Service. Company may require curtailment of Service for any reason it deems necessary or appropriate.

Notice of a curtailment is effective when issued and posted on Company's electronic bulletin board. Customer shall provide Company with the names, titles, telephone numbers, and email addresses of at least two representatives authorized by Customer to receive curtailment notices and shall promptly notify Company of any changes to such information.

RATE SCHEDULE NO. 165 (Continued)

Unauthorized Gas

At Company's sole discretion, and upon prior written notification and approval, Emergency Service under Rider A of this Tariff may be available to Customers served during any billing period when Customer is served under this Rate Schedule. If Company does not authorize Emergency Service, and in the event a Customer fails to discontinue the use of Gas after two hours' notice that Service under this Rate Schedule is not available, all Gas so used shall be paid for by Customer at the rate for Unauthorized Gas set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. In addition, Customer shall reimburse Company for any expenses and liabilities imposed on Company caused by Customer's failure to discontinue use of Gas, including but not limited to any incremental charges, assessments, or penalties imposed by an upstream interstate pipeline and the cost of any Gas used or purchased by Company during the day of Customer's failure to the extent that the cost of such Gas per Dekatherm exceeds the cost of Gas calculated under Rider A.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 175

FIRM TRANSPORTATION SERVICE
FOR CUSTOMERS QUALIFYING FOR SERVICE ON RATE SCHEDULE NO. 145

Firm transportation Service under this Rate Schedule may be offered to a large commercial or industrial Customer that is presently connected to Company's system, has qualified for Service on Rate Schedule No. 145, has obtained an independent supply of Gas, has made arrangements to have Gas delivered to the City Gate through an authorized pooler designated by Customer, and has made accommodation for the installation of telemetry for the purpose of daily measurement readings. All transportation under this Rate Schedule is provided in accordance with Company's Transportation Pooling Agreement, as it may be revised from time to time.

Once a qualified Customer elects Service under this Rate Schedule, Service will be provided for a term extending through the following August 31. Subject to the consent of Company, Customer may elect to discontinue Service under this Rate Schedule and receive Service from Rate Schedule No. 145 by giving written notice to Company prior to June 1 of any year. Company will grant such consent if it has, or is able to acquire under commercially reasonable terms and conditions, the necessary Gas supplies and capacity to provide Service to Customer under Rate Schedule No. 145. Proper notice having been provided and consent obtained, Customer shall discontinue Service under this Rate Schedule effective the following September 1.

Customer may switch between this Rate Schedule and Rate Schedule No. 180 one time during any twelve-month period, provided that Customer qualifies for Service under Rate Schedule No. 180 before switching to Service under that Rate Schedule.

Gas transported under this Rate Schedule shall be separately measured from Gas purchased or transported under any other Rate Schedule. Neither separate Accounts nor separate locations may be combined to qualify for the minimum quantity provision of this Rate Schedule.

Company may refuse Service under this Rate Schedule if Company determines that:

- 1) it does not have Gas delivery capacity in excess of the requirements of its other existing Customers; or
- 2) the requested Service would require an uneconomic enlargement or extension of Company's facilities.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Transportation Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

The minimum monthly bill is the Facilities Charge.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

RATE SCHEDULE NO. 175 (Continued)

Balancing of Transportation Quantities

At any time when Customer is consistently using more or less Gas than is being delivered to Company for Customer's Account, it shall be Customer's or its agent's responsibility to bring its supply and requirements into balance in accordance with Company's Transportation Pooling Agreement, as it may be revised from time to time. Customer, Customer's agent, and Company shall strive to keep the transportation quantities within a reasonable operating balance at all times. Customer or its agent shall notify Company immediately in the event of increases or reductions in the quantity of Gas being transported.

Inability to Obtain Independent Supply of Gas

In the event Customer is unable to obtain its independent supply of Gas, Company may, at its sole discretion, supply Gas to Customer. The Energy Charge for such Gas will be the Rate Schedule No. 145 Energy Charge set forth in the currently effective Summary of Rates and Charges of this Tariff; provided that, when Company is required to purchase incremental quantities of Gas to accommodate Customer's supply requirements, the Energy Charge shall be calculated on a daily basis as the higher of: (a) the Rate Schedule No. 145 Energy Charge or (b) the sum of the daily commodity cost of Gas supplied and the Rate Schedule No. 175 Transportation Charge. The daily commodity cost of Gas shall be the absolute high price for the day of consumption as published in Gas Daily in the "Daily price survey," "Citygates," "Transco, zone 5 delivered," "Absolute," high end of the range. For days of consumption when Gas Daily is not published, the daily price published by Gas Daily on the nearest subsequent day shall be used.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

RATE SCHEDULE NO. 180

INTERRUPTIBLE TRANSPORTATION SERVICE
FOR CUSTOMERS QUALIFYING FOR SERVICE ON RATE SCHEDULE NO. 150

Interruptible transportation Service under this Rate Schedule may be offered to a large commercial or industrial Customer that is presently connected to Company's system, has qualified for Service on Rate Schedule No. 150, has obtained an independent supply of Gas, has made arrangements to have Gas delivered to the City Gate through an authorized pooler designated by Customer, and has made accommodation for the installation of telemetry for the purpose of daily measurement readings. All transportation under this Rate Schedule is provided in accordance with Company's Transportation Pooling Agreement, as may be revised from time to time.

Once a qualified Customer elects Service under this Rate Schedule, Service will be provided for a term extending through the following August 31. Subject to the consent of Company, Customer may elect to discontinue Service under this Rate Schedule and receive Service from Rate Schedule No. 150 by giving written notice to Company prior to June 1 of any year. Company will grant such consent if it has, or is able to acquire under commercially reasonable terms and conditions, the necessary Gas supplies and capacity to provide Service to Customer under Rate Schedule No. 150. Proper notice having been provided and consent obtained, Customer shall discontinue Service under this Rate Schedule effective the following September 1.

Customer may switch between this Rate Schedule and Rate Schedule No. 175 one time during any twelve-month period provided that Company's consent is obtained before Customer may switch to Service under Rate Schedule No. 175. Company will grant such consent if it has, or is able to acquire under commercially reasonable terms and conditions, the necessary Gas delivery capacity to provide Service to Customer under Rate Schedule No. 175.

Gas transported under this Rate Schedule shall be separately measured from Gas purchased or transported under any other Rate Schedule. Neither separate Accounts nor separate locations may be combined to qualify for the minimum quantity provision of this Rate Schedule.

Service under this Rate Schedule is subject to review and possible reclassification to a different Rate Schedule pursuant to Rider B of this Tariff.

Rate

The applicable monthly Facilities Charge and the applicable Transportation Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference. Rates expressed in Therms in the Summary of Rates and Charges may be converted to Dekatherms prior to billing. Bills under this Rate Schedule are subject to the Integrity Management Tracker set forth in Rider E of this Tariff.

When Customer has the installed and operable capability to burn an alternate fuel and the equivalent alternate fuel cost is less than the combined cost of Gas received from Customer's independent supply and the Transportation Charge applicable under this Rate Schedule, Customer may be served under Rate Schedule No. 165. In order to receive Service under Rate Schedule No. 165, Customer must maintain separately metered Accounts for each type of alternate fuel.

The minimum monthly bill is the Facilities Charge. The Facilities Charge will be waived in any month when Company is unable to deliver any Gas during that billing month. Service under this Rate Schedule is subject to Rider A of this Tariff.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balance in arrears on the next billing date. A charge will be imposed for checks and drafts returned to Company. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within 12 months after discontinuance.

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in the Service Regulations.

RATE SCHEDULE NO. 180 (Continued)

Balancing of Transportation Quantities

At any time when Customer is consistently using more or less Gas than is being delivered to Company for Customer's Account, it shall be Customer's or its agent's responsibility to bring its supply and requirements into balance in accordance with Company's Transportation Pooling Agreement, as it may be revised from time to time. Customer, Customer's agent, and Company shall strive to keep the transportation quantities within a reasonable operating balance at all times. Customer or its agent shall notify Company immediately in the event of increases or reductions in the quantity of Gas being transported.

Inability to Obtain Independent Supply of Gas

In the event Customer is unable to obtain its independent supply of Gas, Company may, at its sole discretion, supply Gas to Customer. The Energy Charge for such Gas will be the Rate Schedule No. 150 Energy Charge set forth in the currently effective Summary of Rates and Charges of this Tariff; provided that, when Company is required to purchase incremental quantities of Gas to accommodate Customer's supply requirements, the Energy Charge shall be calculated on a daily basis as the higher of: (a) the Rate Schedule No. 150 Energy Charge or (b) the sum of the daily commodity cost of Gas supplied and the Rate Schedule No. 180 Transportation Charge. The daily commodity cost of Gas shall be the absolute high price for the day of consumption as published in Gas Daily in the "Daily price survey," "Citygates," "Transco, zone 5 delivered," "Absolute," high end of the range. For days of consumption when Gas Daily is not published, the daily price published by Gas Daily on the nearest subsequent day shall be used.

Curtailment

Although not required to maintain alternate fuel capability in order to receive Service under this Rate Schedule, Customer exclusively bears all business, operational, mechanical, or other risks associated with the interruption or curtailment of Service. Company may require curtailment of Service for any reason it deems necessary or appropriate. Customer must be capable of being 100% curtailed on two hours' notice. In case of non-compliance with a curtailment order, Company shall have the right to valve off Service when necessary, in Company's sole opinion, to protect Service to higher margin Customers.

Notice of a curtailment is effective when issued and posted on Company's electronic bulletin board. Customer shall provide Company with the names, titles, telephone numbers, and email addresses of at least two representatives authorized by Customer to receive curtailment notices and shall promptly notify Company of any changes to such information.

Unauthorized Gas

Emergency Service under Rider A of this Tariff shall be available to Customers served during any curtailment period, up to a maximum of 10 Dekatherms per day, at the rate for Emergency Service set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. Emergency Service above 10 Dekatherms per day may be available to Customers at Company's sole discretion, and upon prior written notification and approval. If Company does not authorize Emergency Service above 10 Dekatherms per day, and a Customer fails to discontinue the use of Gas after two hours' notice that Gas under this Rate Schedule is not available, all Gas so used shall be paid for by Customer at the rate for Unauthorized Gas set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. In addition, Customer shall reimburse Company for any expenses or liabilities imposed on Company that are caused by Customer's failure to discontinue use of Gas, including but not limited to any incremental charges, assessments, or penalties imposed by an upstream interstate pipeline and the cost of any Gas used or purchased by Company during the day of Customer's failure to the extent that the cost of such Gas per Dekatherm exceeds the cost of Gas calculated under Rider A.

RATE SCHEDULE NO. 180 (Continued)

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either Company or Customer, or both, including any orders of the Commission requiring Company to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of Company's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by Company. Service under this Rate Schedule is subject to the Service Regulations, which are incorporated herein by reference.

CURTAILMENT OF SERVICE UNDER NCUC RULE R6-19.2
AND EMERGENCY SERVICES - RIDER A

1. Company shall curtail service to its Customers in accordance with Rule R6-19.2, as promulgated, and amended from time to time, by the Commission.
2. Company does not maintain metering by priority but shall do so if required by Rule R6-19.2.
3. Nothing shall be construed to require Company to curtail any Customer if such curtailment will not make additional Gas available for Service to higher margin Customers.
4. The definition of alternate fuel in Rule R6-19.2 applies only to the priority system. For purposes of Company's Rate Schedules, alternate fuel capability is defined as the actual installed capability to burn any fuel other than Gas. An alternate fuel is that fuel which is predominately burned when Service is curtailed and includes the type, grade, and sulfur content of the fuel.
5. The cost of Gas for Emergency Service under this Rider A and for Unauthorized Gas under Company's Rate Schedules is calculated by using the higher of: (a) the monthly contract index price for the applicable month as published in Inside F.E.R.C.'s Gas Market Report, "Prices of Spot Gas Delivered to Pipelines," "Transcontinental Gas Pipe Line Corp. - Zone 3 (pooling points)," "Index," plus the one hundred percent (100%) load factor rate under Transcontinental Gas Pipe Line Company LLC's currently effective Rate Schedule FT for deliveries from Zone 3 to Zone 5, including applicable fuel retention and surcharges, or (b) the absolute high price for the day of consumption as published in Gas Daily in the "Daily price survey," "Citygates," "Transco, zone 5 delivered," "Absolute," high end of the range. For days of consumption when Gas Daily is not published, the daily price published by Gas Daily on the nearest subsequent day shall be used.
6. Emergency Service shall be made available to any Customer during a curtailment under this Rider A up to a maximum of 10 Dekatherms per day at the rate for Emergency Service set forth in the currently effective Summary of Rates and Charges of Company's Tariff, plus the cost of the Gas supplied as calculated under paragraph 5 of this Rider A.
7. Additional Emergency Service may be made available to any Customer that would otherwise be curtailed under this Rider A if such Customer is unable to continue operations on its standby or alternate energy source because of some bona fide existing or threatened emergency when and if Company has Gas available from its regular allocated storage volumes or some outside source other than its regular services. Company, in its sole discretion, may furnish such additional Emergency Service for such specific times and for such specific controlled quantities at the rate for Emergency Service set forth in the currently effective Summary of Rates and Charges of Company's Tariff, plus the cost of the Gas supplied as calculated under paragraph 5 of this Rider A. Such Emergency Service is of a discretionary nature and implies no present or future obligation of Company to any Customer to provide any such Service on either a temporary or continuing basis. Deliveries of Gas hereunder shall be made pursuant only to advance operating arrangements agreed to in writing by Company's Gas Control and the Customer and shall be subject to curtailment and interruption at any time that Company in its sole discretion deems such curtailment or interruption necessary.
8. Company shall not be liable for any damages that may result to Customer or any other person, firm, or corporation, by reason of Company's curtailing Service or Emergency Service in accordance with any order of priorities which may be necessary under existing conditions.
9. All programs, agreements, contracts, Rate Schedules, and rules and regulations for Service by Company are subject to change and modification from time to time by Company, as such are approved by the Commission or otherwise imposed by lawful authority.

METHODOLOGY FOR DETERMINING PROPER RATE SERVICE PRIORITY CLASSIFICATION
PURSUANT TO COMMISSION RULES R6-12 & R6-19.2 – RIDER B

I. Definitions

- (a) "Actual Annual Usage" means the actual quantities of Gas sold to or transported for Customer by Company for a given Review Period as reflected on Company's invoices for that Customer.
- (b) "Classification Usage" means Gas quantities in an amount equal to Actual Annual Usage for a Customer for a Review Period divided by the Service Days for that same period.
- (c) "Involuntary Curtailment Days" means those days or portions of days in a given Review Period when curtailment of Customer's Service was imposed by Company's decision to curtail.
- (d) "Prospective Priority Classification" means the then current priority curtailment classification a Customer would otherwise qualify for based solely on the Classification Usage for a given Review Period.
- (e) "Prospective Rate Schedule" means Company's then current Rate Schedule that a Customer would otherwise qualify for based solely on the Classification Usage for a given Review Period.
- (f) "Review Period" means the twelve (12) months ended June 30.
- (g) "Service Days" means 365 less the number of Involuntary Curtailment Days.

II. Procedure

- (a) During July and August of each year, the Prospective Rate Schedule for each Customer for the Review Period just ended shall be determined.
- (b) If the Prospective Rate Schedule is the same Rate Schedule on which Customer is currently billed, no further Rate Schedule review is necessary. Customer shall remain on that Rate Schedule.
- (c) If the Prospective Rate Schedule is different from the Rate Schedule on which Customer is currently billed, the Prospective Rate Schedule for Customer for the Review Period immediately preceding the one used in Section (a) shall also be determined.
- (d) If the Prospective Rate Schedule determined in (a) is the same as that determined in (c), Customer shall be reclassified to that Prospective Rate Schedule effective the following September 1.
- (e) The reclassified Customer will be given notice of such reclassification as required by Commission Rule R6-12(7). The notice shall be made by registered or certified mail to the mailing address furnished by Customer.
- (f) A similar procedure will be followed for determining the proper curtailment priority for each Customer by using Prospective Priority Classification.

III. Exceptions

If a Customer adds or retires a major piece of gas-burning equipment, changes the hours of operations, or otherwise materially alters the Customer's business that will clearly increase or decrease the Customer's consumption on an ongoing basis to a level that will change the Customer's ability to qualify for a particular Rate Schedule, the Customer shall report such changes to Company and afford Company an opportunity to inspect any change in equipment and to meet with the Customer to review and discuss the anticipated future level of consumption. If Company is satisfied that reclassification is appropriate, the reclassification will occur within two months after the new equipment is in place and operational, or the retirement is completed, and the first Meter reading reflects the higher anticipated usage resulting from the new equipment or the lower anticipated usage resulting from the retirement. Any reclassification pursuant to this exception is subject to correction if actual experience so warrants.

CUSTOMER USAGE TRACKER - RIDER C

I. Definitions

- (a) "Customer Usage Deferred Account" shall mean a deferred account established under this Rider C subject to the Customer Usage Deferred Account Adjustment for such account.
- (b) "Customer Usage Deferred Account Adjustment" shall mean a monthly adjustment to the applicable Customer Usage Deferred Account as calculated under this Rider C.
- (c) "Customer Usage Adjustment" shall mean a per-Therm amount calculated under this Rider C, as a decrement or increment, to refund or recover the balance in the applicable Customer Usage Deferred Account.
- (d) "Relevant Rate Order" shall mean the final Order of the Commission in Company's most recent rate case fixing Company's rates or the most recent final order of the Commission specifically prescribing the factors and procedures to be used in the application of this Rider C.

II. Applicable Rate Schedules

The base rates for Service under Company's Rate Schedule Nos. 101, 102, 125, 127, and 140 shall be subject to a Customer Usage Adjustment in accordance with this Rider C.

III. Computation of Customer Usage Deferred Account Adjustment

The Customer Usage Deferred Account Adjustment for each of the applicable rate classes shall be computed monthly to the nearest dollar using the following formulas:

$$\text{Base Load Therms}_i = \text{Actual Customers}_i \times \text{Base Load}_i$$

$$\text{Heat Sensitive Therms}_i = \text{Actual Customers}_i \times \text{Heat Sensitivity Factor}_i \times \text{Normal Degree Days}$$

$$\text{Normalized Therms}_i = \text{Base Load Therms}_i + \text{Heat Sensitive Therms}_i$$

$$\text{Normalized Margin}_i = \text{Normalized Therms}_i \times \text{R Factor}_i$$

$$\text{Actual Margin}_i = \text{Actual Therms}_i \times \text{R Factor}_i$$

$$\text{Customer Usage Deferred Account Adjustment}_i = \text{Normalized Margin}_i - \text{Actual Margin}_i$$

Where:

$i =$ any particular rate class

$\text{Actual Customers}_i =$ actual customers billed for the billing cycle month for the i^{th} rate class

$\text{Actual Therms}_i =$ actual Therms used for the billing cycle month for the i^{th} rate class

$\text{R Factor}_i =$ base rate (approved rate less fixed and commodity cost of Gas) for the i^{th} rate class used by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues

$\text{Heat Sensitivity Factor}_i =$ heat sensitivity factor for the i^{th} rate class used by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues

$\text{Normal Degree Days} =$ average normal heating degree days used by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues

$\text{Base Load}_i =$ base load sales for the i^{th} rate class used by the Commission in the Relevant Rate Order for the purpose of determining normalized test year revenues

IV. Monthly Reports

Company will file with the Commission monthly reports that include: (a) computation of each Customer Usage Deferred Account Adjustment; (b) a schedule showing the effective date of each Customer Usage Deferred Account Adjustment; and (c) a schedule showing the factors of values derived from the Relevant Rate Order used in calculating each Customer Usage Deferred Account Adjustment. Such reports will be filed within 45 days after the end of the applicable month.

V. Computation of Customer Usage Adjustment

Effective for the first day of the April billing cycle month and the first day of the October billing cycle month, the Customer Usage Adjustment for each of the applicable Rate Schedules shall be calculated to the nearest one-thousandth of a cent per Therm using the following formula:

$$\text{Customer Usage Adjustment}_i = \text{Customer Usage Deferred Account Balance}_i / \text{Annual Therms}_i$$

Where:

$i =$ any particular rate class

$\text{Customer Usage Deferred Account Balance}_i =$ balance of Customer Usage Deferred Account as of the end of January or July, as applicable

$\text{Annual Therms}_i =$ normalized volumes assigned by the Commission in the Relevant Order

VI. Interest

Interest will be applied to the Customer Usage Deferred Account at a rate of 6.57% per annum. This rate shall be reviewed annually.

VII. Filing with Commission

Company will file a revision to its Tariff for Commission approval upon 14 days' notice to implement a decrement or increment each April and October. The filing will include the computation of each Customer Usage Adjustment.

PURCHASED GAS ADJUSTMENT PROCEDURES - RIDER D

I. Definitions

- (a) "Gas Costs" shall mean the total delivered cost of gas paid or to be paid to Suppliers, including but not limited to all commodity/gas charges, all direct transaction-related costs arising from Company's prudent efforts to stabilize or hedge commodity gas costs, demand charges, peaking charges, surcharges, emergency gas purchases, over-run charges, capacity charges, standby charges, reservation fees, gas inventory charges, minimum bill charges, minimum take charges, take-or-pay charges, take-and-pay charges, storage charges, service fees and transportation charges, and any other similar charges associated with the purchase, storage, or transportation of gas for Company's system supply.
- (b) "Suppliers" shall mean any person or entity, including an affiliate of Company, who locates, produces, purchases, sells, stores and/or transports gas or its equivalent for or on behalf of Company, or who provides hedging tools, including, but not limited to financial tools, designed to stabilize Company's commodity prices. Suppliers may include, but are not limited to, interstate pipeline transmission companies, producers, brokers, marketers, associations, intrastate pipeline transmission companies, joint ventures, providers of Liquefied Natural Gas, Liquefied Petroleum Gas, Synthetic Natural Gas and other hydrocarbons used as feed stock, other Local Distribution Companies, and end-users.
- (c) "Benchmark Commodity Gas Costs" shall mean Company's estimate of the City Gate Delivered Gas Costs for long-term gas supplies, excluding Demand Charges and Storage Charges as approved in Company's last general rate case or gas cost adjustment proceeding.
- (d) "City Gate Delivered Gas Costs" shall mean the total delivered Gas Costs to Company at its city gate.
- (e) "Commodity and Other Charges" shall mean all Gas Costs other than Demand Charges and Storage Charges and any other Gas Costs determined by the Commission to be properly recoverable from sales customers.
- (f) "Demand Charges and Storage Charges" shall mean all Gas Costs which are not based on the quantity of gas actually purchased or transported by Company and any other Gas Costs determined by the Commission to be properly recoverable from customers.
- (g) "Other Gas Supply Charges" shall mean the per therm supply reservation fees. These charges shall be determined on an annual basis by dividing the total estimated reservation fees to be paid under the firm supply contracts by the total estimated quantities to be purchased under these contracts.

II. Rate Adjustments Under These Procedures

- (a) If Company anticipates a change in its City Gate Delivered Gas Costs, it may apply and file revised tariffs effective on 14 days' notice in order to increase or decrease its rates to its customers as hereinafter provided. The Commission may issue an order allowing the rate change to become effective simultaneously with the effective date of the change or at any time ordered by the Commission. If the Commission has not issued an order within 120 days after the application, Company may place the requested rate adjustment into effect.
 - (i) Demand Charges and Storage Charges. Whenever Company anticipates a change in the Demand Charges and Storage Charges, it may (as hereinabove provided) change its rates to customers under each applicable Rate Schedule by an amount computed as follows:

$$\frac{\text{(Total Anticipated Demand Charges and Storage Charges - Prior Demand Charges and Storage Charges) x Rate Schedule Percentage}^*}{\text{Sales \& Transportation Quantities}^* \text{ (by Rate Schedule)}} = \begin{matrix} \text{= Increase} \\ \text{(Decrease) Per Unit} \end{matrix}$$

* Established by the Commission in the last general rate case.

- (ii) Commodity and Other Charges. Whenever Company's estimate of its Benchmark Commodity Gas Costs changes, it may (as hereinabove provided) change the rates to its customers purchasing gas under sales rate schedules, incorporating the Benchmark Commodity Gas Costs, by an amount computed as follows:

$$\frac{\text{Quantities of gas purchased* (excluding Company Use and Unaccounted For) x (New Benchmark Commodity Gas Costs - Old Benchmark Commodity Gas Costs)}}{\text{Quantities of gas purchased for System Supply* (excluding Company Use and Unaccounted For)}} = \text{Increase (Decrease) Per Unit}$$

* Established by the Commission in the last general rate case.

- (iii) Company Use and Unaccounted For. Whenever Company's estimate of its Benchmark Commodity Gas Costs changes, it may (as hereinabove provided) change the rates to its customers, by an amount computed as follows:

$$\frac{\text{Quantities of Company Use and Unaccounted For Gas* x (New Benchmark Commodity Gas Costs - Old Benchmark Commodity Gas Costs)}}{\text{Sales \& Transportation Quantities*}} = \text{Increase (Decrease) Per Unit}$$

* Established by the Commission in the last general rate case.

- (b) Other Changes in Purchased Gas Costs. The intent of these procedures is to permit Company to recover its actual prudently incurred Gas Costs. If any other Gas Costs are incurred, they will be handled as in Section 1 if they are similar to Demand Charges and Storage Charges, or as in Section 2 if they are similar to Commodity and Other Charges.

III. True-up of Gas Costs

- (a) Demand Charges and Storage Charges. On a monthly basis, Company shall determine the difference between (i) Demand Charges and Storage Charges billed to its customers in accordance with the Commission-approved allocation of such costs to Company's various Rate Schedules and (ii) Company's actual Demand Charges and Storage Charges. This difference shall be recorded in Company's deferred account for demand and storage charges. Increments and decrements for this deferred account, including the portion of the Commodity and Other Charges true-up calculated under Section III(b) and apportioned to this deferred account, flow to applicable sales and transportation rate schedules.
- (b) Commodity and Other Charges. On a monthly basis, Company shall determine with respect to gas sold (including company use and unaccounted for) during the month the difference between (i) the actual Commodity and Other Charges incurred and (ii) the actual Commodity and Other Charges billed to customers. This difference shall be apportioned each month to Company's deferred account for commodity and other charges based on the ratio of volumes sold to the volumes purchased for that month. The residual portion of the difference not apportioned to Company's deferred account for commodity and other charges shall be apportioned each month to Company's deferred account for Demand Charges and Storage Charges. On a monthly basis, Company shall determine with respect to gas sold in previous months under its residential and commercial rate schedules, the difference between amounts billed for Gas Costs and the amounts actually recovered from customers for such Gas Costs. Such uncollectible Gas Costs shall be recorded in Company's deferred account for commodity and other charges. Any such deferred amounts that are subsequently paid by customers shall be credited to Company's deferred account for commodity and other charges. Increments and decrements for Commodity and Other Charges shall flow to all sales rate schedules incorporating the Benchmark Commodity Gas Costs.
- (c) Supplier Refunds and Direct Bills. If Company receives supplier refunds or direct bills with respect to gas previously purchased, the amount of such supplier refunds or direct bills will be recorded in the appropriate deferred Account, unless directed otherwise by the Commission.

IV. Other

- (a) Gas Costs changes not tracked concurrently shall be recorded in the appropriate deferred account.
- (b) The Commodity and Other Charges portion of gas inventories shall be recorded at actual cost and the difference in that cost and the Benchmark Commodity Gas Costs most recently approved shall be recorded in the deferred account when the gas is withdrawn from inventory.
- (c) Company shall file with the Commission (with a copy to the Public Staff) a complete monthly accounting of the computations under these procedures, including all supporting workpapers, journal entries, etc., within 45 days after the end of each monthly reporting period. All such computations shall be deemed to be in compliance with these procedures unless within 60 days of such filing the Commission or the Public Staff notifies Company that the computations may not be in compliance; provided, however, that if the Commission or the Public Staff requests additional information reasonably required to evaluate such filing, the running of the 60 day period will be suspended for the number of days taken by Company to provide the additional information.
- (d) Periodically, Company may file to adjust its rates to refund or collect balances in these deferred accounts through decrements or increments to current rates. In filing for an increment or decrement, Company shall state the amount in the deferred account, the time period during which the increment or decrement is expected to be in effect, the rate classes to which the increment or decrement is to apply, and the level of quantities estimated to be delivered to those classes. Any such increments or decrements shall be made on a percentage basis for all affected rate classes as determined in Company's most recent general rate case, unless otherwise ordered by the Commission.
- (e) Company may negotiate with commercial and industrial customers on its sales and transportation rates to avoid the loss of deliveries to these customers. All margin loss from those customers served under Rate Schedule No. 160 which would otherwise have purchased or transported gas under Rate Schedule Nos. 150 and 180 shall be recorded in the deferred account for Demand Charges and Storage Charges. Such margin loss shall be based on the currently effective rates. Company may offset negotiated losses in any manner authorized by the Commission.
- (f) Interest will be applied to the deferred accounts at a rate of 6.57% per annum. This rate shall be reviewed annually.

INTEGRITY MANAGEMENT TRACKER - RIDER E

Under G.S. 62-133.7A the Commission may adopt a rate adjustment mechanism to allow a natural gas local distribution company to recover “the prudently incurred capital investment and associated costs of complying with federal gas pipeline safety requirements.” These capital investment and associated costs are required in order to comply with federal laws and regulations, will generate no additional revenue for Company, and vary significantly in nature, scope, and scale from prior system reinforcement/maintenance projects and also from Company’s more usual system expansion projects. The Integrity Management Tracker is authorized to allow Company to recover the integrity management plant investment net of excluded costs. At the time of Company’s next general rate case proceeding, all prudently incurred Integrity Management Plant Investment associated with this Rider E shall be included in base rates and the Excluded Costs shall be eligible for inclusion in recoverable rate base.

I. Definitions

- (a) “Excluded Costs” means the portion of capital expenditures related to system enhancement and system strengthening of a capital project that results in more volumes, higher pressure, or larger pipe sizes. These costs are not included in the Integrity Management Plant Investment recovered through this Rider E.
- (b) “Integrity Management Adjustment” means a per-Therm amount calculated under this Rider E as an increment and applied to the applicable Rate Schedules to recover the IMRR biannually for the six-month periods ending June 30th and December 31st.
- (c) “Integrity Management Deferred Account” means a deferred account established under this Rider E subject to the Integrity Management Deferred Account Adjustment for such account.
- (d) “Integrity Management Deferred Account Adjustment” means a monthly adjustment to the Integrity Management Deferred Account as calculated under this Rider E.
- (e) “Integrity Management Deferred Account True-Up Adjustment” means an annual adjustment to recover the balance in the Integrity Management Deferred Account as of January 31st as calculated under this Rider E.
- (f) “Integrity Management Month Factor” means the percentage of annualized and normalized Therms as set forth in the Relevant Rate Order by month for the applicable Rate Schedules.
- (g) “Integrity Management Plant Investment” means the gross plant and associated costs incurred by Company resulting from prevailing federal standards for pipeline integrity and safety, net of Excluded Costs, and not otherwise included in current base rates.
- (h) “Integrity Management Revenue Requirement” or “IMRR” means the total annual revenue requirement for the Integrity Management Plant Investment as calculated under this Rider E.
- (i) “Relevant Rate Order” means the final order of the Commission in Company’s most recent rate case fixing Company’s rates or the most recent final order of the Commission specifically prescribing the factors and procedures to be used in the application of this Rider E.
- (j) “Special Contract” means any contract, including for electric generation, for Service entered into between Company and a Customer that provides for rates, terms, or conditions that vary from those set forth in Company’s Tariff.
- (k) “Vintage year” means the fiscal year during which the Integrity Management Plant Investment is made.

II. Applicable Rate Schedules

The base rates for Service under Company’s Rate Schedule Nos. 101, 102, 115, 125, 126, 127, 135, 140, 145, 150, 160, 165, 175, and 180 shall be subject to an Integrity Management Adjustment in accordance with this Rider E.

III. Computation of Integrity Management Revenue Requirement

- (a) Company shall file by January 31st and July 31st of each year information showing the computation of the IMRR that forms the basis of the biannual Integrity Management Adjustment for the six-month period ending the prior December 31st and June 30th, respectively.

- (b) The total revenue requirement will be calculated for each Vintage Year of Integrity Management Plant Investment, as follows:

Integrity Management Plant Investment	\$X,XXX,XXX
Less: Accumulated Depreciation	XXX,XXX
Less: Accumulated Deferred Income Taxes	XXX,XXX
Net Plant Investment	\$X,XXX,XXX
Pre-Tax ROR set forth in the Relevant Rate Order	X.XX%
Allowed Pre-Tax Return	\$X,XXX,XXX
Plus: Depreciation Expense	XXX,XXX
Total	\$X,XXX,XXX

- (c) The IMRR for each Vintage Year of Integrity Management Plant Investment is reduced by a Special Contract Credit to compute the Net IMRR. The Net IMRR forms the basis for determining the Integrity Management Adjustment. The Special Contract Credit represents the amount provided by the Special Contracts towards the Integrity Management Plant Investment. Until Company's next general rate case, the Special Contract Credits applicable to each twelve-month period beginning January 1 are as follows:

January 1, 2019	\$
January 1, 2020	\$
January 1, 2021	\$
January 1, 2022	\$
January 1, 2023	\$

- (d) The amount of the Special Contract Credit shall be amended one year after the effective date of any new contract or amendment, approved by the Commission after the effective date of this Rider E, where Company provides natural gas redelivery service to an electric generation customer at a levelized rate.
- (e) For the purposes of determining the Net IMRR on a biannual basis, the Special Contract Credit shall be prorated by month using the Integrity Management Month Factors shown in subsection (f).
- (f) Each month Company will charge its Integrity Management Deferred Account for the portion of the Net IMRR (the IMRR as reduced by the Special Contract Credit), that corresponds to that month. The monthly IMRR is the product of the annual Net IMRR and the Integrity Management Month Factor. The Integrity Management Month Factor for each month is as follows:

January	15.33%
February	13.16%
March	10.74%
April	6.95%
May	5.09%
June	4.27%
July	4.31%
August	4.35%
September	4.52%
October	7.30%
November	10.53%
December	13.45%

IV. Computation of Biannual Integrity Management Adjustment

- (a) Company will file for Commission approval by February 15th and August 15th of each year a revision to its Tariff and information showing the computation of the Integrity Management Adjustment for each Rate Schedule that it proposes to charge during the six-month period beginning the following March 1st and September 1st, respectively.
- (b) To compute the Integrity Management Adjustment, the Net IMRR shall first be apportioned to each customer class based on margin apportionment percentages established in the Relevant Rate Order. The customer class apportionment percentages are as follows:

Residential Rate Schedules 101, 102, 115	69.99%
Commercial Rate Schedules 125, 126, 127, 140	19.10%
Large General - Firm Rate Schedules 145, 175	8.36%
Large General - Interruptible Rate Schedules 135, 150, 160, 165, 180	2.55%

- (c) The amount of the Net IMRR apportioned to each Rate Schedule will then be divided by the annual Therms as set forth in the Relevant Rate Order for each Rate Schedule to determine the Integrity Management Adjustment to the nearest one-thousandth cent per Therm. The annual Therms of throughput used in the computation of the Integrity Management Adjustment for each Rate Schedule is as follows:

Residential Rate Schedules 101, 102, 115	332,441,182
Commercial Rate Schedules 125, 126, 127, 140	172,905,640
Large General - Firm Rate Schedules 145, 175	256,721,533
Large General - Interruptible Rate Schedules 135, 150, 160, 165, 180	143,316,551

- (d) Each month Company will credit the Integrity Management Deferred Account for the amount of the Integrity Management Adjustment collected from Customers. The amount of the Integrity Management Adjustment collected from Customers will be computed by multiplying the Integrity Management Adjustment for each Rate Schedule by the corresponding actual Therms of usage billed Customers for the month.

V. Computation of Integrity Management Deferred Account True-Up Adjustment

- (a) Company will file with the Commission by February 15th to recover through an Integrity Management Deferred Account True-Up Adjustment the balance in the Integrity Management Deferred Account as of the prior January 31st.
- (b) The Integrity Management Deferred Account True-Up Adjustment will be computed by multiplying the balance of the Integrity Management Deferred Account, as of January 31st, by the customer class apportionment percentages determined in Section IV above. The Integrity Management Deferred Account balance apportioned to each customer class shall then be divided by the annual Therms of throughput for each of the applicable Rate Schedules shown in Section IV above to determine the Integrity Management Deferred Account True-Up Adjustment applicable to each Rate Schedule for the following twelve-month period beginning March 1st. The Integrity Management Deferred Account True-Up Adjustment will be computed to the nearest one-thousandth cent per Therm.
- (c) Company may, at its discretion, file for further Integrity Management Deferred Account True-Up Adjustments throughout the year, upon 14 days' notice to the Commission.

VI. Interest

Interest will be applied to the Integrity Management Deferred Account at a rate of 6.57% per annum. This rate shall be reviewed annually.

VII. Integrity Management Deferred Account

Company shall maintain an Integrity Management Deferred Account for the purpose of recording the monthly (a) Net IMRR, (b) Integrity Management Adjustment, (c) Integrity Management Deferred Account True-Up Adjustment, and (d) interest on the Integrity Management Deferred Account.

VIII. Monthly Filing with Commission

Company shall file monthly (a) a report providing in detail the current month's Integrity Management Plant Investment, including supporting documentation for the amount incurred by project, (b) the cumulative Integrity Management Plant Investment subject to this Rider E, and (c) a report of the activity recorded for the month in the Integrity Management Deferred Account. Such reports will be filed within 45 days after the end of the month for which the report is being filed.

IX. Annual Integrity Management Plant Investment Forecast

Company shall file by January 31st its projected three-year plan of Integrity Management Plant Investment, which will encompass Integrity Management Plant Investment planned for its next three fiscal years.

X. Review and Approval of Annual Report and Rates

- (a) Company shall file an annual report summarizing the Integrity Management Plant Investment for the prior 12-month period ending December 31st and the data substantiating and supporting its IMRR calculation for the next biannual Integrity Management Adjustment by January 31st.
- (b) Upon Company's annual report filing, the Public Staff and any other intervenors of record shall have until the following May 15th to review such filing and to prepare and file with the Commission a report of such review to include supporting testimony if disallowances or adjustments are proposed in such report. Company shall have until June 1st to respond to any report or testimony filed by the Public Staff or other intervenors and, to the extent necessary to resolve disputes regarding Company's annual report, such disputes shall be promptly scheduled for hearing by the Commission with the goal of resolving such disputes by Commission order issued by August 15th with corresponding rate adjustments made on a prospective basis on September 1st.

XI. Commission Review

The terms and conditions of this Rider E shall be reviewed and prospective modifications considered by the Commission as part of a general rate case. Furthermore, any interested party may petition the Commission to modify or terminate Rider E on the grounds that, as approved, it is no longer in the public interest.

ENERGY EFFICIENCY TRACKER - RIDER F

I. Cost Recovery Mechanism

The Cost Recovery Mechanism for Energy Efficiency Programs Pilot (EE Mechanism) approved by the Commission in Docket No. G-5, Subs 632 and 634, on January 21, 2022, is attached hereto as an Appendix and incorporated by reference in this Rider F.

II. Definitions

The definitions included in the Appendix are incorporated by reference. Additionally,

- (a) "Applicable Rate Schedules" refers to the Company's Rate Schedules encompassing the classes of customers who are eligible to participate in the Programs and/or who receive benefit from the Programs, which are Rate Schedules 101, 102, 125, 126, 127, and 140.
- (b) "EE Program Adjustment" means a per-therm amount calculated as an increment or decrement to determine new EE Program Rider Rates under this Rider F.
- (c) "EE Program Deferred Account" means a deferred account established under this Rider F for the purpose of recording and reporting each month: (a) Program Costs; (b) the amount of collections from customers pursuant to the EE Program Rider Rates; and (c) a return on the EE Program Deferred Account balance.
- (d) "EE Program Rider Rates" means the rates per therm established under this Rider F and applied to the Applicable Rate Schedules in order to enable the Company to recover its Program Costs, computed to the nearest one-thousandth cent per therm.
- (e) "Rate Period" means May 1st through April 30th, unless otherwise indicated herein, in a Relevant Rate Order, or in the EE Mechanism.
- (f) "Relevant Rate Order" means the final order of the Commission in the Company's most recent general rate case fixing Company rates or the most recent order of the Commission specifically prescribing the factors and procedures to be used in the application of this Rider F.

III. EE Program Deferred Account and Return

Effective November 1, 2021, the Company shall implement the EE Program Deferred Account. The balance in the EE Program Deferred Account shall accrue a return as provided in the Appendix to this Rider F.

IV. Computation of EE Program Rider Rates

The EE Program Rider Rates shall be calculated as an increment or decrement to base rates and shall be applied to Applicable Rate Schedules commencing November 1, 2021. The EE Program Rider Rates initially shall be set to a rate of zero (\$0) per therm, effective November 1, 2021. Commencing no later than 45 days after the Commission's order approving base rates in Docket No. G-5, Sub 632, and in any event no later than June 1, 2022, updated EE Program Rider Rates shall take effect. Such updated EE Program Rider Rates shall be designed to collect the estimated EE Program Deferred Account balance as of the day prior to the effective date of the updated EE Program Rider Rates (incorporating the actual EE Program Deferred Account balance to the maximum extent practicable), as well as the projected EE Program Costs appropriately estimated to be incurred between the effective date of the updated EE Program Rider Rates and April 30, 2023. Thereafter, for years 2023, 2024, and 2025, and as described in the Appendix to this Rider F, the EE Program Rider Rates shall be updated each May 1st for each subsequent Rate Period through the EE Program Adjustment based on the estimated EE Program Deferred Account balance as of April 30th of each year (incorporating the actual EE Program Deferred Account balance to the maximum extent practicable), as well as the EE Program Costs appropriately estimated to be incurred during the upcoming Rate Period.

For Programs whose eligible participants are exclusively residential customers (Rate Schedules 101 and 102), all costs will be assigned to the residential class. For Programs whose eligible participants are exclusively commercial customers (Rate Schedules 125, 126, 127, and 140), all costs will be assigned to the commercial class. The Company's Conservation Education Program shall be entirely assigned to the residential class for cost recovery purposes. Common Costs shall be allocated between customer classes using the ratio of annual projected Program Costs as shown in the Company's annual filing supporting the EE Program Rider Rates.

The amount of the balance apportioned to each customer class (adjusted as appropriate to provide for the recovery of the regulatory fee and uncollectibles expense) shall then be divided by the annual therms as set forth in the Relevant Rate Order for each customer class to determine the EE Program Adjustment to the nearest one-thousandth cent per therm. The annual therms of throughput used in the computation of the EE Program Adjustment for each customer class are as follows:

Residential	Rate Schedules 101 and 102	332,373,912
Commercial	Rate Schedules 125, 126, 127, and 140	172,905,640
Total		505,279,552

The amount collected from customers from the EE Program Rider Rates each month shall be applied as a credit to the EE Program Deferred Account and shall be computed by multiplying the EE Program Rider Rate in effect for each Applicable Rate Schedule by the corresponding actual therms of usage billed customers for the month.

COST RECOVERY MECHANISM FOR ENERGY EFFICIENCY PROGRAMS PILOT

(Docket No. G-5, Subs 632 and 634)

The purpose of this Mechanism is to (1) allow Public Service Company of North Carolina, Inc., d/b/a Dominion Energy North Carolina (PSNC or the Company), to recover all reasonable and prudent costs incurred for adopting, implementing, and operating energy efficiency (EE) measures and programs in accordance with the Stipulation of Settlement between the Company and Public Staff, filed on October 15, 2021 in Docket No. G-5, Subs 632 and 634 (Stipulation), North Carolina Utilities Commission (Commission) Rule R6-95, and the additional principles set forth below, and (2) establish certain requirements for requests by PSNC for approval and continued operation of EE measures and programs. The definitions set out below apply to this Mechanism. This Mechanism is to be effective during the pilot period agreed to in the Stipulation (as further explained in this Mechanism), and as approved or modified after the end of that pilot period.

Changes in the terms and conditions of this Mechanism shall be applied prospectively only, to time periods following any Commission order amending those terms and conditions, unless otherwise approved by the Commission. Approved programs and measures shall continue to be subject to the terms and conditions that were in effect when they were approved with respect to the recovery of reasonable and prudent costs, unless otherwise approved by the Commission.

Definitions

1. *Common Costs* are costs that are not attributable or reasonably assignable or allocable to specific EE programs or measures but are necessary to design, implement, and operate the programs or measures collectively. Common Costs may include appropriately assigned or allocated marketing, education, or general outreach costs.

2. *Costs* include program or measure costs (including those of pilot programs approved by the Commission for inclusion in the Mechanism), Common Costs, and, subject to Rule R6-95, any other costs approved by the Commission for inclusion in the Mechanism. *Costs* include only those expenditures appropriately allocable to PSNC operations.

3. *Low-Income Programs or Low-Income Measures* are EE programs or EE measures approved by the Commission as components of programs provided specifically to low-income customers.

4. *Measure* means, with respect to EE, an "energy efficiency measure," as defined in N.C. Gen. Stat. § 62-133.8(a)(4).

5. *Measurement Unit's Life* means the estimated number of years that equipment or customer treatment associated with a measurement unit will operate if properly maintained or activities associated with the measurement unit will continue to be cost-effective, and produce energy savings, unless the Commission determines otherwise.

6. *Net-to-gross (NTG) Ratio* means an adjustment factor used to compute the net savings by accounting for but not limited to such behavioral effects as free ridership and spillover.

7. *Program* means a collection of Measures with similar objectives that have been consolidated for purposes of delivery, administration, and cost recovery.

8. *Program or Measure Costs* are Costs that are attributable to specific EE Programs or Measures and include all appropriate capital costs (including cost of capital and depreciation expenses), reasonably assignable or allocable administrative and general costs, implementation costs, incentive payments to Program or Measure participants, operating costs, and evaluation, measurement, and verification (EM&V) costs, net of any grants, tax credits, or other reductions in cost received by the utility from outside parties. Program or Measure Costs may include appropriately assigned or allocated marketing, education, or outreach costs.

9. *Total Resource Cost (TRC) Test* means a cost-effectiveness test that measures the net Costs of a Program or Measure as a resource option based on the total Costs of the Program or Measure, including both the participants' costs and the utility's costs (excluding incentives paid by the utility to or on behalf of participants). The costs for the TRC test are the net Program or portfolio Costs incurred by the utility and participants, and the increased supply Costs for any periods in which consumption is increased. All costs of equipment, installation, operation and maintenance (O&M), removal (less salvage value), and administration, no matter who pays for them, are included in this test. The benefits for the TRC test are avoided supply costs, which shall be calculated using net Program or Measure savings, i.e., savings net of changes in

energy use that would have happened in the absence of the Program or Measure. Any tax credits are considered a reduction to costs in this test.

10. *Utility Cost Test (UCT)* means a cost-effectiveness test that measures the net Costs of a Program or Measure as a resource option based on the costs incurred by the utility (including incentive costs paid by the utility to or on behalf of participants) and excluding any net costs incurred by the participant. The costs for the UCT are the net Program or portfolio Costs incurred by the utility and the increased supply costs for any periods in which consumption is increased. Utility costs include initial and annual costs, such as the cost of utility equipment, O&M, installation, Program administration, incentives paid to participants and participant dropout and removal of equipment (less salvage value). The benefits for the UCT are avoided supply costs caused by a consumption reduction. The avoided supply costs shall be calculated using net Program or Measure savings, i.e., savings net of changes in energy use that would have happened in the absence of the Program or Measure.

Pilot

11. PSNC's Programs (Residential Energy Efficient Equipment Rebate Program, Commercial Energy Efficient Equipment Rebate Program, Conservation Education Program, Residential New Construction Program, Residential Home Energy Report Program, and Residential Low Income Program, plus administrative costs supporting the portfolio and each Program thereunder) shall be placed on a pilot of approximately three years in order to collect operational data, perform EM&V, and assess cost-effectiveness. With respect to the portfolio, the pilot will commence on the date that

PSNC's effective base rates no longer include recovery of Costs for EE Measures and Programs, November 1, 2021, and will end on June 30, 2025 (this period is referred to herein as the Pilot Period).¹ During the Pilot Period, each Program will operate as a pilot Program. Each new pilot Program listed above will commence operation as soon as practicable after the date of the Commission's Order approving the Stipulation, but no later than six months thereafter.

12. During the Pilot Period and with reference to each pilot Program, PSNC should structure and perform EM&V to ensure accuracy of the NTG ratio, avoided costs, Measure life, and Measure savings used in the cost-effectiveness calculations.

13. The criteria for a successful Program is a Utility Cost Test result greater than 1.0.

14. PSNC shall work with the Public Staff and other interested parties to cost effectively increase participation, particularly for low-income customers, and those customers who rent their homes or businesses.

15. The EE rider rates shall commence as of the beginning date of the Pilot Period, and at that time shall be set to zero (\$0) per therm. The EE rider rates shall be subsequently modified, first specifically pursuant to Paragraph 39 of this Mechanism, and subsequently pursuant to the process described in the other Paragraphs in the "General Structure of Rider" and "Cost Recovery" sections of this Mechanism. The existing

¹ The technical length of the Pilot Period is somewhat longer than the three years referenced in the Stipulation due to the fact that some of the new EE Programs planned by PSNC will commence approximately between January 1, 2022 and June 30, 2022; the additional time will allow all Programs to be in effect for at least three years.

Programs as of the beginning date of the Pilot Period will continue as pilot Programs, subject to modification; implementation of such modifications, as well as the implementation of new Programs, will begin when approved by the Commission.

16. At the end of the Pilot Period or sooner, if Program performance dictates, the Company should seek either approval for each Program as a full Program or terminate the Program. Any petition for full approval or termination should include the updated inputs for participation, savings, NTG Ratio, avoided costs, Program Costs, and cost-effectiveness test results. PSNC may end the pilot for any and all Programs before the end of the Pilot Period if substantial evidence suggests the UCT will result in a value less than or greater than 1.0, in which case PSNC will remove the Program or apply for it to be granted full approval, respectively.

Term

17. This Mechanism is to be effective during the Pilot Period, and as approved or modified after the end of the Pilot Period. Costs to be recovered under this Mechanism may include Program and portfolio Costs incurred by the Company during the Pilot Period, if approved by the Commission as appropriate for recovery.

Application for Approval of Programs

18. In evaluating potential Measures and Programs for selection and implementation, PSNC will first perform a qualitative Measure screening to ensure Measures are:

- (a) Commercially available and sufficiently mature.

- (b) Applicable to the PSNC service area demographics and climate.
- (c) Feasible for a utility Program.

19. PSNC will then further screen Measures for cost-effectiveness. With the exception of Measures included in Low-Income Programs or other non-cost-effective Programs with similar societal benefits as approved by the Commission, a Measure with an estimated UCT result less than 0.9 will not be considered further, unless the Measure can be bundled into a Program to enhance the overall cost-effectiveness of that Program. Measures under consideration for bundling, whether as part of a new Program or into an existing Program, should, unless otherwise approved by the Commission, be consistent with and related to the Measure technologies, and/or delivery channels currently offered in the existing Program or to be otherwise offered in the new Program.

20. With the exception of Low-Income Programs or other non-cost-effective Programs with similar societal benefits as approved by the Commission, all Programs submitted for approval will have an estimated UCT result greater than 1.00.

21. If a Program fails the economic test in Paragraph 20, PSNC will determine if certain Measures can be removed from the Program to satisfy the criterion established in Paragraph 20.

22. Nothing in this Mechanism relieves PSNC from its obligation to comply with Commission Rule R6-95 when filing for approval of Programs. PSNC shall, in its filings for approval of Programs, describe in detail the industry-accepted methods to be used to collect and analyze data; measure and analyze Program participation; and evaluate, measure, verify, and validate estimated energy and peak demand savings. PSNC shall

provide a schedule for reporting the results of this EM&V process to the Commission. The EM&V process description should describe not only the methodologies used to produce the impact estimates utilized, but also any methodologies the Company considered and rejected. Additionally, if PSNC plans to use an independent third party for purposes of EM&V, it shall, when known, identify the third party and include all projected third-party costs in its filing.

Program Management

23. For the annual Program Cost recovery filings, PSNC will work with the Public Staff to determine what should be included and also the format of each filing.

24. For purposes of calculating prospective and/or actual cost-effectiveness of Programs or Measures to be used to determine whether a Program or Measure should remain in the portfolio, the Company shall assess each Program or Measure by:

- a. Using projected benefits specifically calculated for each Program or Measure, as to be determined by continuing discussions between PSNC and the Public Staff, and as ultimately approved by the Commission, and,
- b. Evaluating each cost-effectiveness test using actual and/or projections of participation, savings, Program or Measure Costs, and benefits for the previous and/or upcoming vintage year.

25. PSNC acknowledges that prospective cost-effectiveness evaluations are snapshots of the Program or Measure's performance, and that ongoing cost-effectiveness is impacted by many factors outside the Company's control, including but not limited to

market and economic conditions, avoided costs, and government mandates. PSNC shall continue to work to maintain the cost-effectiveness of its portfolio and individual Programs and Measures. However, for any Program that initially demonstrates a UCT, determined pursuant to Paragraph 19 above, of less than 1.00, the Company shall include a discussion in its annual EE rider proceeding of the actions being taken to improve cost-effectiveness, or alternatively, its plans to terminate the Program.

26. For Programs that demonstrate an actual and/or prospective UCT, determined pursuant to Paragraph 19 above, of less than 1.00 in a second EE rider proceeding, the Company shall include a discussion of what actions it has taken to improve cost-effectiveness. Fluctuations of UCT above and below 1.0 should be addressed on a case-by-case basis.

27. For Programs that demonstrate an actual and/or prospective UCT, determined pursuant to Paragraph 19 above, of less than 1.00 in a third EE rider proceeding, the Company shall terminate the Program effective at the end of the year following the EE rider order, unless otherwise ordered by the Commission.

28. The Company will seek to leverage available state and federal funds to operate effective efficiency Programs. Its application for such funds will be transparent with respect to the cost, operation, and profitability of Programs operated with those funds in a manner consistent with its authorized revenue recovery mechanism. Use of such funds may help offset the participant's project costs and be supplemental to PSNC's incentives to participants. If so, these funds will not change the impacts or cost-effectiveness of PSNC's Programs as calculated using the UCT. Further, the amount of

avoided costs recognized by the Company will not be reduced if participants also use state or federal funds to offset any portion of their project costs.

Program Modifications

29. Modifications filed with the Commission for approval will be evaluated under the same guidelines and parameters used in initial Program approval.

30. If approval of a modification is desired, the Company shall file a petition prior to the implementation of the Program change no later than 30 days prior to the proposed effective date.

Evaluation, Measurement and Verification

31. EM&V of Programs, conducted by an independent third-party using a nationally-recognized protocol provided to the Public Staff in an evaluation plan, will be performed to ensure that Programs remain cost-effective. If cost of a specific EM&V is too great, the Company may utilize an approved EM&V report from a similar region to that of North Carolina. This protocol may be modified with approval of the Commission to reflect the evolution of best practices.

32. EM&V will also include updates of any NTG Ratios related to previous NTG estimates for Programs and Measures. All of the updated information will be used in evaluating the continued cost-effectiveness of existing Programs, but updates to NTG estimates will not be applied retrospectively to Measures that have already been installed or Programs that have already been completed. If it becomes apparent during the

implementation of a Program that NTG Ratios are substantially different than anticipated, the Company will file appropriate Program adjustments with the Commission.

33. For purposes of application of EM&V, initial EM&V results shall be applied retroactively to the beginning of the Program offering to replace initial estimates of impacts. For the purposes of the vintage true-ups, these initial EM&V results will be considered actual results for a Program until the next EM&V results are received. The new EM&V results will then be considered actual results going forward and applied prospectively for the purposes of truing up vintages from the first day of the month immediately following the month in which the study participation sample for the EM&V was completed. This EM&V will then continue to apply and be considered actual results until it is superseded by new EM&V results, if any.

General Structure of Rider

34. An annual EE rider, consisting of a separate billing factor for each customer class that is eligible for participation in one or more Programs, will be placed in effect for each year (except for the first two such riders, which may be in effect for slightly less or more than one year),² unless otherwise approved by the Commission.

35. The annual filing date of PSNC's EE rider application and supporting documents for the years 2023, 2024, and 2025 shall be no later than January 15th of each year.

² As explained elsewhere in this Mechanism, the first such rider shall become effective on the date that PSNC's effective base rates no longer include recovery of Costs for EE Measures and Programs, which is November 1, 2021, at a level of \$0 per therm. The second such rider will become effective shortly after the approval of base rates in Docket No. G-5, Sub 632.

36. The supporting documents filed with the EE rider application shall include, but not necessarily be limited to, the following:

- a. The calculation of and supporting workpapers and other documentation for the proposed rate to go into effect May 1st.
- b. A schedule updating estimated and actual charges and credits to the EE deferral account, a) calculating the monthly beginning and ending balances, for each month and b) cumulative balance for the annual period through April 30th of the filing year. At the time of the January 15th filing, this schedule shall incorporate actual charges and credits to the extent possible (from the last actual balance filed in the previous rider proceeding through at least November 30th of the year preceding the current proceeding's filing date). Estimated amounts at the time of the filing may be updated to actual during the course of the proceeding; however, any such actual amounts shall remain subject to audit and correction in the following year's rider proceeding. Actual and estimated charges and credits shall be clearly identified as such.
- c. If not previously completed, filed, and incorporated, EM&V reports completed as of January 15th and incorporated as appropriate into the calculation of the proposed rider.
- d. The EM&V plan for the current calendar year and through the remainder of the Pilot Period.

- e. Requested Program modifications, if any.
- f. Estimated cost-effectiveness results by Measure, Program, and portfolio for the Rate Period (May 1st through April 30th of the upcoming year, updated as appropriate for EM&V). For this purpose, the Company will utilize the actual cost-effectiveness results collected during the preceding twelve months ended April 30th (also updated as appropriate for EM&V), and update its forecasted participation so that a proxy cost-effectiveness for each Measure, Program, and portfolio can be calculated.
- g. Any information required by Paragraph 24 of this Mechanism.
- h. Any information not otherwise listed above that was previously provided in PSNC's annual EE report.

37. The Public Staff will place its recommendation regarding the proposed rider on the Agenda for the Regular Staff Conference scheduled for no later than April 15th of each year.

38. The planned effective date for the EE rider rates is May 1st of each year.

39. The initial rider, effective as of the date that PSNC's effective base rates no longer include recovery of Costs for Measures and Programs, which is November 1, 2021, will be \$0 per therm. PSNC and the Public Staff shall work together to determine the second set of EE rider rates consistent with this Mechanism, and shall file such proposed rates with the Commission no later than 45 days after the Commission's order approving

base rates in Docket No. G-5, Sub 632. If approved by the Commission, these rider rates shall become effective by May 1, 2022, if possible, but no later than June 1, 2022. The parties acknowledge that it may be impossible to fully meet the requirements of paragraphs 36 and 37 of this Mechanism, but will make all reasonable efforts to do so.

40. By the 15th day of each month, PSNC shall file a deferred account report for the second preceding calendar month, a) setting forth the details of the changes to the deferred account for that month and b) the cumulative balance subject to the Rider F.

Cost Recovery

41. Pursuant to the requirements of this Mechanism for the second set of rider rates approved in 2022, and for each EE rider proceeding held in 2023, 2024, and 2025, PSNC shall be allowed to recover, through the EE rider, all reasonable and prudently incurred Program and portfolio Costs appropriately estimated to be incurred in expenses during the upcoming rate period for each proceeding (ending April 30th of 2023, 2024, and 2025, and then June 30th of 2025). The rider rates as annually set shall also include recovery of the estimated balance in the deferred account as of the day prior to the rates' effective date. Any remaining deferred account balance as of June 30, 2025 that is found appropriate and reasonable by the Commission for recovery (after true-up to reflect reasonable and prudently incurred charges and credits), shall be eligible for subsequent rate recovery as determined appropriate by the Commission. Modification, discontinuation, and/or termination of the pilot or any previously-approved Measure or Program shall not preclude PSNC's ability to otherwise recover through rates the Program

or related portfolio Costs incurred in expenses for operation and EM&V of such EE Program or Measure.

42. The cost and expense information filed by PSNC pursuant to the rider and this Mechanism shall be categorized at a Measure, Program, and portfolio level.

43. PSNC may implement deferred accounting for over- and under-recoveries of costs that are eligible for recovery through the annual EE rider. The balance in the deferral account, gross of deferred income taxes, may accrue a return at the annual net-of-tax rate of return approved in PSNC's then most recent general rate case, using a mid-month convention. Such return will not be eligible for further gross-up for income taxes. Interest shall be eligible for compounding only at December 31st of each calendar year (to avoid an annual accrual of return at greater than the annual rate).

44. For purposes of cost recovery through the EE rider, system-level Costs of each Program shall be assigned or allocated to PSNC's operations and the North Carolina customer classes or rate schedules eligible to participate in that Program, by use of appropriate factors as approved in each case by the Commission. The individual rates for each participating customer class or rate schedule shall be calculated by dividing the assigned or allocated Costs by volumes applicable to the class or rate schedule, as approved by the Commission in the most recent general rate case.

45. The assignment or allocation methodology described in Paragraph 44 above shall be utilized for the initial rider and for succeeding riders as appropriate. If it becomes evident that non-participating classes also benefit from cost reductions related to particular Programs, the methodology will be subject to change to reflect such benefits.

Review of Mechanism

46. The terms and conditions of this Mechanism shall first be reviewed by the Commission beginning two years after the effective date of rates in Docket No. G-5, Subs 632 and 634, to be completed no later than June 30, 2025. The Company and other parties shall submit any proposed changes to the Commission for approval at the time of the filing of the Company's annual EE rider proposal. During the time of review, the Mechanism shall remain in effect until further order of the Commission revising the terms of the Mechanism or taking such other action as the Commission may deem appropriate.

High Efficiency Discount Rate Program

47. The annual Conservation Report which is related to the High Efficiency Discount Rate that is currently included in base rates pursuant to Docket No. G-5, Sub 495A, and not subject to this EE Mechanism, shall be discontinued with the implementation of this EE Mechanism and Rider F. The Public Staff reserves the right to request information regarding this program in discovery during the rider proceedings.

No Precedential Effect

48. The terms of this Mechanism shall not be considered precedential for any purpose other than their application to eligible Programs and Cost recovery associated with those Programs, and only until those terms are next partially or wholly reviewed.

1. APPLICABILITY

- (a) These Service Regulations apply to all services provided by Company under its Rate Schedules, subject to the jurisdiction of the Commission, and are adopted for the mutual protection of both the Customer and Company. They provide standards for Company's practices, promote safe and adequate service to the public, and establish a reasonable basis for meeting the public's demands for natural gas service.
- (b) The rates, terms and other conditions, and rules and regulations stated in this Tariff are subject to change upon Company's application to the Commission and approval of such application by the Commission, or upon order of the Commission, in the manner prescribed by law at any time. In the event of such change, the new rates, terms and conditions, and rules and regulations prescribed by the Commission will apply to Service received hereunder from the date such change is made effective. Customer agrees to accept and be bound by all such rates, terms and conditions, and rules and regulations in connection with such Service, which are now or may hereafter be filed with, or issued or promulgated by, the Commission or other governmental bodies having jurisdiction thereof.
- (c) If a conflict exists between these Service Regulations and the provisions of the applicable currently effective Rate Schedule, the provisions of the Rate Schedule shall govern. The rules and regulations of the Commission shall govern in the event of a conflict with these Service Regulations.

2. DEFINITIONS

For the purposes of this Tariff, the following capitalized terms shall be defined as follows:

- (a) "Account" means Service provided to any Person at a single location on a single Rate Schedule.
- (b) "Applicant" means any Person applying for Service.
- (c) "British Thermal Unit" or "BTU" means the amount of heat required to raise the temperature of one pound of water from 58.5° to 59.5° Fahrenheit at a pressure of 14.73 pounds per square inch absolute.
- (d) "BTU Factor" means the factor used to convert a volume of Gas measured in Cubic Feet into Therms or Dekatherms, as applicable.
- (e) "CIAC" means a non-refundable cash contribution in aid of construction made by a Customer to Company to defray the cost of construction of Excess Facilities installed by Company to provide Service to that Customer.
- (f) "City Gate" means point(s) where Gas is delivered to Company's system.
- (g) "Commission" means the North Carolina Utilities Commission, which regulates gas utilities operating within the State of North Carolina, including Company.
- (h) "Company" means Public Service Company of North Carolina, Incorporated, doing business as Dominion Energy North Carolina, a natural gas utility operating under the jurisdiction of the Commission.
- (i) "Company Facilities" means any piping, Mains, Gas Service Lines, Meters, Meter Assemblies, regulating or other Facilities of whatever nature owned by PSNC.
- (j) "Cubic Foot" or "Cubic Feet" is the volume of Gas that occupies one cubic foot at a temperature of 60° Fahrenheit at a pressure of 14.73 pounds per square inch absolute.
- (k) "Customer" means any Account being supplied Service by Company.
- (l) "Customer Facilities" means any piping, appliances, Gas burning devices, regulating, or other Facilities located downstream of the Delivery Point.
- (m) "Customer Usage Tracker" is the mechanism in Rider C that tracks and trues up variations in average per customer usage from levels approved in Company's last general rate case for residential and commercial Customers receiving service on Rate Schedule Nos. 101, 102, 125, 127, and 140.

- (n) "Dekatherm" or "Dt" means the unit of energy equivalent to 10 Therms, or 1,000,000 British Thermal Units.
- (o) "Delivery Point" means the physical point in the Gas delivery system where Customer Facilities meets the outlet of Company's Meter Assembly.
- (p) "Emergency Service" means Service made available to a Customer subject to curtailment as provided in Rider A of this Tariff.
- (q) "Excess Facilities" means Gas Service Lines and Mains totaling in excess of 200 feet or any additional Company Facilities required to provide Service at a pressure in excess of the applicable pressure set forth in Section 15 of these Service Regulations or to provide Service using a Farm Tap.
- (r) "Facilities" means all infrastructure to deliver natural gas.
- (s) "Facilities Charge" means a fixed amount billed each month to cover the basic cost of providing Service regardless of the amount of Gas used.
- (t) "Farm Tap" means a connection to a high pressure (above 60 pounds per square inch gauge) Main including Facilities to reduce the delivery pressure to supply Service to one or more Customers.
- (u) "Feasibility Test" means an economic test performed by Company which compares the net present value of the cost of certain Company Facilities to the anticipated net present value of the revenue to be received by Company from Service through those same Company Facilities.
- (v) "Force Majeure" means any acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, acts of sabotage or terrorism, war, blockades, insurrections, riots, epidemics, landslides, unusual conditions of weather or temperature, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage of or accidents to Company Facilities, supplier's or transporter's Facilities, Customer Facilities, lines of pipe, or Company's peak shaving plants, freezing of wells or lines of pipe, partial or complete curtailment of deliveries from Company's supplier(s) or transporters as a result of force majeure under the supplier(s) Gas purchase contracts, inability to obtain rights of way, franchises, permits, materials, Facilities, supplies, or an inability to obtain an unlimited supply of gas from Company's supplier(s), inadequate delivery pressure from Company's transporters, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of Company and/or its supplier(s), transporters or the Customer and which by the exercise of due diligence either Company and/or its supplier(s), transporters or the Customer is unable to prevent or overcome.
- (w) "Gas" means undiluted natural gas, or a substitute for natural gas, or any mixture of natural gas and a substitute for natural gas, as delivered by Company.
- (x) "Gas Quality Standards" means the quality standards, specifications, and other requirements pertaining to Renewable Gas as set forth in Appendix B to these Service Regulations.
- (y) "Gas Service Line" means the pipeline owned by Company that runs between a Main and a Meter.
- (z) "Integrity Management Tracker" means the mechanism in Rider E that tracks capital costs of integrity management projects between rate cases and recovers such costs from residential and commercial Customers receiving service on Rate Schedule Nos. 101, 102, 115, 125, 126, 127, 135, 140, 145, 150, 160, 165, 175, and 180.
- (aa) "Main" means a gas pipeline other than a Gas Service Line, owned, operated or maintained by Company, which is used for the purpose of transmission or distribution of Gas.
- (bb) "Meter" or "Meter Assembly" means any of Company's meter, regulator, piping, valves, vents, relief valves, gauges, and/or other apparatus, including automated or remote meter reading devices, used to measure, communicate, and control flow or pressure of Gas.
- (cc) "Person" means an individual, partnership, corporation, trust, governmental agency, or other association.

- (dd) "Premises" means the land or real estate, including buildings and other appurtenances thereon, where a Customer receives Service.
- (ee) "Rate Schedule" means the portion of the Tariff on file with and approved by the Commission that sets forth the rates, charges, terms, and conditions for each category of Service offered by the Company under this Tariff.
- (ff) "Renewable Gas" means gas that is capable of combustion in appliances or facilities, that is similar in heat content and chemical characteristics to natural gas produced from traditional underground well sources, and that is intended to act as a substitute for natural gas. Renewable Gas includes but is not limited to, biogas, biomethane, landfill gas, and any other type of natural gas equivalent produced or manufactured from sources other than traditional underground well sources.
- (gg) "Residence" means any single or multiple family residence, condominium, townhouse, mobile or modular home, or apartment that is individually metered and has Gas used for any domestic usage such as space heating, air conditioning, water heating, cooking, or any other residential usage.
- (hh) "Service" means the delivery, and all other activities incidental to the delivery, of Gas by Company to a Customer at its Delivery Point.
- (ii) "Service Regulations" means the Company's service regulations, including appendices, on file with and approved by the Commission as they may be amended from time to time. Service Regulations were formerly called Rules and Regulations.
- (jj) "Tariff" means the Company's tariff, including the Summary of Rates and Charges, Rate Schedules, Riders, and Service Regulations, as revised from time to time.
- (kk) "Therm" means the unit of energy equivalent to 100,000 BTUs.
- (ll) "Transportation Pooling Agreement" means an agreement executed by Company and a Customer or a Customer's agent that details the procedures to be followed when a Customer obtains an independent supply of Gas and arranges to have the Gas delivered to the City Gate. The required form of the Transportation Pooling Agreement is Appendix A to these Service Regulations.
- (mm) "Unauthorized Gas" means the quantity of Gas received by a Customer subject to curtailment and not authorized for Emergency Service by Company, as provided in Rider A of this Tariff.

3. AGREEMENT

- (a) Company shall not be required to provide Service unless and until application for Service has been made and any charges for Excess Facilities have been paid by Customer to Company. When no charges or potential charges for Excess Facilities are involved, an Applicant's application for Service and Company's acceptance may be oral. In the absence of a written agreement, such agreement shall be conclusively presumed to exist if Gas is made available by Company for use by Customer or on the Customer's Premises. Service will be supplied pursuant to Company's standard service agreement, the applicable Rate Schedule(s), these Service Regulations, and the rules, regulations, and orders of the Commission.
- (b) Company's obligations to provide Service and the Customer's obligations upon receipt of Service are set forth in the applicable provisions of Chapter 62 of the North Carolina General Statutes; the applicable rules, regulations, and orders of the Commission; the applicable Rate Schedule(s); these Service Regulations; and any written application or other document executed by Company and Customer pertaining to such Service.
- (c) Copies of the Rate Schedules and these Service Regulations are available from Company. Upon Customer request, Company will provide Customer with a copy of the applicable Rate Schedule(s), these Service Regulations, any written application for Service, and all or other documents executed by Company and Customer pertaining to such Service. No promise, statement, or representation by any Company employee, agent, or representative, or by any other Person, shall bind Company to provide Service, or to change the terms and conditions upon which Service will be provided, unless the same is in writing and is executed by an authorized Company representative and Customer; no amendment, change, or modification to any such document shall be effective unless in writing and signed by an authorized Company representative and Customer.

4. ESTABLISHMENT AND REESTABLISHMENT OF CREDIT; DEPOSITS

(a) Establishment and Reestablishment of Credit:

- (1) Before the commencement of Service, the Applicant (whether a former Customer or not) must satisfactorily establish credit in accordance with Commission Rule R12-2. An Applicant for residential Service shall not be denied Service for failure to pay bills for any non-residential Service.
- (2) If the conditions of Service or the basis on which credit was originally established have materially changed, Company may require a Customer to reestablish credit in accordance with Commission Rule R12-2.
- (3) If a disagreement arises with respect to the establishment or reestablishment of credit with Company it shall be the Applicant's or Customer's right to have this problem reviewed and acted upon by Company's supervisory personnel. If unresolved after that review, then the Applicant or Customer shall have the right to have the problem reviewed by the Commission pursuant to Commission Rule R12-7.

(b) Deposits:

- (1) Company may require payment of a cash deposit prior to establishing or reestablishing Service to an Applicant or a Customer in accordance with the provisions of Commission Rules R12-2 through R12-4.
- (2) Interest on deposits will be paid in accordance with Commission Rule R12-4.
- (3) Deposits will be refunded in accordance with Commission Rule R12-5.

5. DENYING OR DISCONTINUING SERVICE

(a) Company shall have the right to discontinue Service or to deny Service for any of the following reasons:

- (1) Company determines that a hazardous condition exists;
- (2) Service to Customer adversely affects Company Facilities or Service to other Customers;
- (3) Company Facilities have been tampered with;
- (4) The unauthorized use of Gas by Customer;
- (5) Any material misrepresentation made by Customer or refusal to provide identification in connection with the application for Service;
- (6) Any material breach of these Service Regulations or any terms and conditions of the applicable Rate Schedule(s) or service agreement(s), or any violation of any statute, or any order, regulation, or rule of the Commission or any governmental agency;
- (7) Customer's failure to fulfill Customer's agreements and contractual obligations for Service subject to regulation by the Commission;
- (8) Customer's failure either to establish or reestablish satisfactory credit pursuant to Commission Rule R12-2;
- (9) Customer's failure to permit Company reasonable access to Company Facilities and/or Customer Facilities;
- (10) Nonpayment of bill pursuant to Commission Rules R12-8 and R12-10;
- (11) Customer's failure to furnish such Customer Facilities, permits, certificates, and/or rights-of-way as required by Company as a condition to obtaining or continuing Service; or
- (12) Customer Facilities are installed or are in use on Customer's Premises which permits the Gas to be used without passing through the Meter(s), which prevents or interferes with the measuring of the Gas by the Meter(s), or which interconnects fuel systems supplied on separate Rate Schedules.

- (b) **Prior Indebtedness:** Company reserves the right to deny service to any Applicant who is found to be indebted to Company for Service previously furnished to that Applicant at any Premises served by Company until satisfactory arrangements have been made for the payment of all such indebtedness. Further, where the Service has been discontinued to a Premises for nonpayment, Company shall have the right to refuse Service at the same Premises where there is clear, documented evidence of action taken by the Applicant with the intent to evade payment for utility services. Company may require reasonable proof of identity of the Applicant as a condition to providing Service.
- (c) **Discontinuing Service:**
 - (1) Company may discontinue or suspend Service without notice to Customer under the following circumstances:
 - i. In the event of a condition determined by Company to be hazardous;
 - ii. In the event of Customer use of equipment in such a manner as to adversely affect Company equipment or Company service to others;
 - iii. In the event of tampering with the equipment furnished and owned by Company; or
 - iv. In the event of unauthorized use.
 - (2) For any reason not listed in 5(c)(1) above and not otherwise addressed in Commission Rules R12-8 and R12-10, Company shall give Customer at least 10 days written notice that Service is subject to termination. This notice of proposed termination shall, at a minimum, contain the following:
 - i. A clear explanation of the reasons which underlie the proposed termination;
 - ii. The date of the proposed termination, which shall not be less than 10 days from the date of issuance of such notice;
 - iii. Statements advising how Customer can avoid termination; and
 - iv. Statements advising Customer that Customer should first contact Company with any questions, and that in cases of dispute, a proposed termination action may thereafter be appealed informally to the Commission either by calling the Public Staff-North Carolina Utilities Commission, Consumer Services Division at (919) 733-9277 or toll free at 1-866-380-9816 or by appearing in person or by writing the Public Staff-North Carolina Utilities Commission, Consumer Services Division, 4326 Mail Service Center, Raleigh, NC 27699-4326.
 - (3) Customer is entitled to personal contact prior to termination as detailed in Commission Rule R12-10(i), and Customer retains all rights as detailed in the Commission Rules, with special attention to Rules R6-16, R6-17, R12-8, and R12-10.
- (d) **No Liability for Discontinuing or Denying Service:** Company shall have no liability to Customer or to any other Person for any damages incurred as a result of the discontinuance or denial of Service to the Premises such as, but not limited to, frozen water pipes, damaged Facilities, damages to any building or structure, or any other damage or injury of any type.

6. RECONNECTION TERMS AND FEES

- (a) Where Service has been discontinued at Customer's request and reconnection of Service is requested by the same Customer at the same Premises within one (1) year after the date of discontinuance, a reconnection fee shown in the Summary of Rates and Charges of Company's Tariff shall be charged.
- (b) All reconnections that require more than one hour to complete will be billed the applicable reconnection rate per hour shown in the Summary of Rates and Charges of Company's Tariff.
- (c) In cases where Service is discontinued for nonpayment of bills, Customer shall do the following before Company is obligated to restore Service:
 - (1) pay the arrears portion of the bill in full;
 - (2) reestablish credit in accordance with Commission Rule R12-3;

(3) pay a reconnection fee shown in the Summary of Rates and Charges of Company's Tariff.

7. ACCESS TO CUSTOMER PREMISES

Customer shall grant to Company the right of ingress and egress to, over, across, and through Customer Premises, for any and all purposes associated with the Service or the exercise of any and all rights under the Rate Schedule, service agreement, or these Service Regulations. Customer authorizes Company's representatives to enter Customer Premises to inspect Customer lines and appliances that use Gas, and to install, read, inspect, test, maintain, repair, or remove any or all of Company Facilities. Customer agrees that if a condition exists on Customer Premises, which, in Company's sole opinion, is dangerous to Company's representatives or Company Facilities, and/or prevents reasonable access to Company Facilities, Company may remove or relocate Company Facilities at Customer's sole expense.

8. RIGHT-OF-WAY

(a) Company shall not be required to extend its Facilities for the purpose of rendering Service to the Customer until satisfactory rights-of-way, easements, or permits have been obtained from government agencies and property owners, at Customer expense, to permit the installation, operation, and maintenance of Company Facilities. Customer in requesting or accepting Service thereby grants Company, without charge, necessary rights-of-way and privileges for Company Facilities on, along, across, and under property controlled by Customer to the extent that such rights-of-way required or necessary to enable Company to supply Service to the Customer and Customer also grants Company the right to continue or extend Company Facilities on, along, across, or under property, with necessary rights to serve other Customers. Customer shall maintain such right-of-way so as to grant Company continued access to Company Facilities by Company personnel, vehicles, and other power-operated equipment. Customer's application for Service and acceptance of such Service from Company shall be deemed to grant to Company an implied right-of-way on, along, across, and under the Premises, if Customer has not executed a written right-of-way agreement as requested by Company. Company shall not be liable to Customer for any failure to provide Service because of Company's inability to secure or retain such rights-of-way.

(b) Customer may make full use and enjoyment of the Premises included within the right-of-way granted by this Section 8 in any manner not inconsistent with the use and purposes of the Premises by Company; provided, however, that Customer, its heirs, successors, and assigns, shall not construct, nor permit to be constructed, any house, structure, or obstruction, nor impound any water, nor permit any water to be impounded, on or over the right-of-way, and Customer, its heirs, successors, and assigns, further agrees that Customer, and its heirs, successors, and assigns, will not change the grade over the pipeline(s) in any manner which will reduce or increase the depth of the pipeline(s). Customer shall also furnish suitable space and satisfactory protection for Company Facilities installed on the Premises.

9. VACATED PREMISES

Customer shall notify Company at least twenty-four (24) hours before vacating the Premises served and will pay upon presentation all bills due for Service provided to the Premises. Company shall have no liability to Customer or to any other Person for any damages incurred as a result of Customer vacating the Premises such as, but not limited to, frozen water pipes, damaged Facilities, damages to any building or structure, or any other damage or injury of any type.

10. NON-ASSIGNABILITY

Customer's rights to Service and rights provided under any service agreement are personal and shall not be transferred or assigned by Customer without the prior written consent of Company, which Company, in its sole discretion, may refuse to grant.

11. INTERRUPTIONS

Except where interruptions of Service are permitted by Company's Tariff or in accordance with Commission Rule R6-19.2, Company shall make reasonable efforts to avoid interruptions of Service. If interruptions occur for any reason, Company shall restore Service within the shortest time practical under the conditions. Company shall not be liable, in any manner to Customer or any other Person, for any loss or damage resulting from such failure or interruptions of Service.

12. ACTION TO MAINTAIN SYSTEM INTEGRITY

If Company, in its sole discretion, determines that it is necessary to curtail or interrupt Service to maintain the integrity of its system or to provide for its or the public's safety, Company shall have the right to curtail or interrupt delivery of Gas to any Customer. Company shall not be liable, in any manner to Customer or any other Person, for any loss or damage resulting from such curtailment or interruptions of Service.

13. EMERGENCY USES

It is expressly understood and agreed that Company does not furnish uninterruptible Service for pumping water, emergency power generation, or any other emergency use. If Customer uses Gas for emergency uses, Customer, at all times, shall maintain a standby supply of energy so that it shall not be necessary to rely on Gas during a time of emergency. Company shall not be liable, in any event, to any Customer, any inhabitants of any municipal Customer, or any other Person, for any loss or injury of or to property or persons occasioned by, or resulting directly or indirectly from, the failure of any fire protection or other emergency apparatus to operate, whether said failure shall be due to any act or omission of Company or otherwise.

14. INTERCONNECTIONS

If Company supplies Service to Customer under more than one of the Rate Schedules in this Tariff, Customer shall not use the higher priority Service as a standby for any lower priority Service, nor shall Customer install, or permit to be installed, any interconnection between the fuel lines supplying Gas delivered under separate Accounts.

15. PRESSURE

Company will generally provide Gas at a pressure of approximately 0.25 pounds per square inch gauge ("psig"). Company and Customer, however, may mutually agree upon a higher pressure at which Gas may be provided. Company shall supply only one delivery pressure per Account. In no event shall Company be required to furnish Gas to Customer at a pressure exceeding two (2) psig for residential Service, or five (5) psig for all other classes of Service, except to the extent that Company has agreed to do so in writing.

16. METERS AND OTHER COMPANY FACILITIES; RELOCATION OF COMPANY METERS AND FACILITIES; INTERFERENCE OR TAMPERING WITH COMPANY PROPERTY

- (a) **Meters:** Company shall furnish, install, and maintain on Customer's Premises a Meter or Meters of suitable capacity and design to measure the quantity of Gas used by Customer, and such Meter or Meters shall be and remain the property of Company. Customer shall (i) provide suitable space for Meters and other Company Facilities, (ii) protect all of Company Facilities from damage or injury, and (iii) permit no Person other than Company's representative or agent, or a person otherwise lawfully authorized, to disturb or remove the same; and Company's representatives are hereby expressly authorized to enter Customer Premises at all hours to inspect Customer lines and appliances that use Gas, and to read, inspect, maintain, repair, or remove Meters and other Facilities. References to Meters do not apply to Rate Schedule No. 115, Unmetered Lighting Service.
- (b) **Other Facilities:** Company shall also furnish, install, and maintain all other Company Facilities required to provide Service. Company shall have the right, at its option and at its own expense, to place additional Company Facilities on the Premises for billing, testing, system monitoring, or other purposes related to the provision of Service. If Company elects to install remote or automated Meter reading devices, Customer shall cooperate with Company to effect installation of any power, phone, or other service to the Meter site. Customer shall also provide suitable site(s) for any required communication antennas, batteries, and/or solar panels. If Company installs an excess flow valve at the Customer's request, all costs of installation shall be borne by the Customer. All Company Facilities shall be and remain the sole property and sole responsibility of Company, regardless of whether the Customer was required to make a CIAC and regardless of whether the Customer is responsible for the cost of installing such facilities.
- (c) **Meter Tests:** Company shall have the right to test its Meters and Company Facilities periodically. Customer shall provide adequate access, including vehicle access, to allow for testing of Facilities.
- (d) **Failure or Inaccuracy of Meter:** In case of any failure or inaccuracy of a Meter, Customer's bills for the period of such failure or inaccuracy shall be calculated in the manner provided in Commission Rule R6-15.

- (e) Relocation of Company Facilities and Rights-of-Way: Company may change the location of Company Facilities and rights-of-way upon Customer's request, but Customer shall bear the expense of the change; provided, however, no change will be made where it will interfere with or jeopardize Company's Service, either to Customer requesting the change or to any other Customer(s). All privileges of Company incident to the original location shall apply to the new location. When a Meter is relocated at Company's option, all expense in connection with such change shall be borne by Company. If the relocation is made at Customer's request, all expense will be borne by Customer. If a change in the right-of-way is made, Customer shall be subject to the restrictions set forth in Section 8 of these Service Regulations with respect to the new right-of-way.
- (f) If Service is discontinued, Company shall have the right to remove all Company Facilities from Customer's Premises. Such removal shall be at Company's sole expense.

17. INTERFERENCE WITH COMPANY PROPERTY

Customer shall not interfere with, alter, or remove Company Facilities, or permit the same to be done by others unless authorized in writing by Company. Damage or loss to Company Facilities caused or permitted by Customer shall be paid by Customer. When unauthorized use of Service is discovered, Company may discontinue Service and Customer shall be required to pay for the estimated unauthorized usage and the costs of inspection, investigation, disconnection, and reconnection before Service is restored.

18. UNSAFE CONDITIONS

If Customer creates an unsafe condition for Company Facilities, all expenses to correct the condition shall be borne by Customer. Unsafe conditions include, but are not limited to, erecting structures, and planting trees or bushes over or in close proximity to Company Facilities.

19. BILLING

- (a) Bills: Bills for Service shall be rendered and paid monthly. Company or its agent shall read Meters, and Company shall render bills monthly on a cycle basis of approximately thirty (30) days. Facilities Charges shall not be prorated unless a billing adjustment is being made that covers more than forty-five (45) days of Service that has been previously provided and billed. Rate changes occurring from general rate cases and purchased gas adjustment proceedings shall be implemented on a "service rendered" or prorated basis.
- (b) Payment: All bills are due when rendered and are payable by mail, bank draft, other electronic means, or at authorized payment centers. Residential bills become past due twenty-five (25) days after the billing date. All other bills become past due fifteen (15) days after the billing date. If any bill is not paid before becoming past due, a late payment charge of 1% per month will be applied at the next billing date to the balance in arrears and thereafter until the amount due is paid. This charge is applicable to all Customers and all classes of Service.
- (c) Returned Check Charge: A charge equal to the approved state charge for returned items set forth in North Carolina General Statutes § 25-3-506 and shown in the Summary of Rates and Charges of Company's Tariff shall be imposed for checks or drafts tendered on Customer's account and returned to Company.
- (d) Valid Billing Address: Company will deliver to Customer a monthly bill of the amount due to Company by mailing the bill by first class mail to the mailing address furnished by Customer or by electronic billing when agreed to by Company and Customer. Customer will be responsible for keeping Company informed of the proper billing address. If Customer fails to do so, delivery to the Premises address shall be deemed delivery to Customer. Failure to receive a bill will not entitle Customer to any extension of time for payment beyond the past due date. For a Customer that receives bills electronically, notices regarding rate or Service changes, account status, or other matters shall also be provided electronically.
- (e) Past Due Balance: If Company, with good cause, determines a likelihood that Customer cannot pay the outstanding Gas bill, and Customer's deposit, if one has been provided, does not provide Company with adequate security, Company may accelerate the past due or delinquent date and proceed with disconnect procedures under Commission Rule R12-8 by issuing a written statement of cause to Customer and filing a copy of such statement with the Commission.

- (f) Estimate: If a Meter is not read for any reason at the regular reading date, Company may estimate the amount of Service used by Customer to that date by referring, where possible, to Customer's consumption for a similar prior period. Company will bill Customer on the basis of that estimated use and will make any necessary adjustment on the bill when the Meter is next read.
- (g) Multiple Meters: Company does not allow the combining of Meters for purposes of billing unless the design of the metering facilities requires the use of multiple Meters. Company will set an additional Meter when requested to do so by Customer, and Customer bears all costs of such installation. When Company provides an additional Meter, it establishes a separate Account, and Customer is responsible for paying a separate Facilities Charge and separate billing through the steps of the Rate Schedule, if applicable. Some current Customers receiving Service as of October 7, 1994, have been allowed to combine Meters for billing purposes. Company will grandfather these Accounts by coding them in its Customer database to allow them to remain as combined Accounts at their current locations and in their present configurations. If, in the future, additional Meters are set for these Customers, new Accounts will be established for such additional Meters and Customer will not be allowed to combine Service provided by such Meters with the existing Accounts.
- (h) Offsets Against Bills: No claim which Customer has, or may claim to have, against Company shall be offset or counterclaimed against the payment of any sum of money due Company by Customer for Service(s) provided. All sums due Company shall be paid in accordance with the terms of the bill, these Service Regulations, and the service agreement regardless of such claim.
- (i) Equal Payment Plans for Residential and Commercial Customers:
 - (1) An equal payment plan is available to any Customer receiving residential or commercial Service whose Account has not been removed from an equal payment plan for late payment of a bill within the previous three (3) months.
 - (2) At the request of an eligible Customer, Company will estimate Customer's bills for the next twelve (12) months based on actual consumption during the previous twelve (12) months (adjusted for normal weather), Company's currently approved margin rates, an estimated purchased gas adjustment factor for the upcoming twelve (12)-month period, and applicable fees and taxes. If Customer has an outstanding balance, the balance will be added to the estimated annual amount. Customer's monthly payment under the equal payment plan will be calculated by dividing the estimated annual billing amount by twelve (12).
 - (3) At the end of the twelve-(12) month period, Customer's bill will be recalculated based on actual consumption during the period and compared to Customer's payments under the equal payment plan. Any underage may be paid by Customer or added to the estimated annual amount used to calculate Customer's monthly payments for the next twelve (12) months, at Customer's election, and any overage will be deducted from the estimated annual amount. Unless otherwise requested, Customer will remain on the equal payment plan during the next annual period with a new monthly payment based upon the factors set forth above.
 - (4) Company may adjust Customer's monthly payment under the equal payment plan as necessary to avoid a large balance in Customer's Account.

20. FORCE MAJEURE

In the event either Company or its transporter or supplier or Customer is unable, wholly or in part, by reason of Force Majeure to carry out its obligations, other than to make payments for the Service received, it is agreed that on giving notice of such Force Majeure as soon as possible after the occurrence of the cause relied on, then the obligations of Company or Customer so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the Person affected, and the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the Person affected thereby.

21. POSSESSION OF GAS; GAS QUALITY AND MEASUREMENT

- (a) Customer agrees that Company is responsible only for Service to the Delivery Point, and Company shall not be liable to Customer or any of Customer's agents, contractors, or employees, or to any Person(s) whomsoever, for any loss, damage, or injury to any Person(s) or property resulting from the Gas or its use after it leaves Delivery Point. Customer shall assume all risks downstream of the Delivery Point, except when caused by the exclusive gross negligence or willful acts of the employees of Company.
- (b) Company shall not be responsible for the transmission, use, or control of Gas beyond the Delivery Point. Company shall not be liable for any loss, damage, or injury to Person(s) or property whatsoever, accruing or resulting in any manner, from the receipt, use, or discontinuance of the use of the Gas beyond the Delivery Point, defective Customer Facilities, or any cause not resulting from the direct, exclusive gross negligence or willful acts of Company.
- (c) All Gas delivered to Company's system is subject to the quality specifications of the interstate transporter's Federal Energy Regulatory Commission-approved tariff, except that Renewable Gas shall be subject to the Gas Quality Standards. As such, Company shall have no liability for damages of any kind related to or arising from the quality or constituent characteristics of Gas delivered or sold to Customer. **ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE THAT MIGHT OTHERWISE ATTACH OR BE APPLICABLE TO THE SALE OF GAS FOR RESALE IS HEREBY DISCLAIMED AND WAIVED.** Company shall further have no responsibility to process, condition, or otherwise modify Gas delivered to its system for transmission or sale to Customers. It is Customer's sole responsibility to install, adjust, maintain, and operate its Gas burning equipment in a manner consistent with the prevailing quality of Gas delivered to Company.
- (d) Company shall measure all Gas in Cubic Feet and convert the volume of gas measured to Therms or Dekatherms, as applicable, for billing purposes by multiplying such volume by the BTU Factor. The BTU Factor shall be based on the weighted average BTU content of Gas entering Company's system for the days of Customer's billing cycle.

22. REPORTS OF LEAKS

Customer shall give immediate notice to Company when any leakage of Gas is discovered or suspected. Customer agrees not to use any potential source of ignition such as flame, electrical source, or other igniting medium, in the proximity of escaping Gas, which could ignite such Gas. Company shall not be liable for any leakage of Gas, or any damage or loss arising out of, or caused by, any leakage of Gas, except when due to the exclusive gross negligence or willful acts of the employees of Company.

23. EXTENSION OF SERVICE; CIAC

- (a) Company will extend Mains along the route selected by Company in streets that are at an established final grade and will install Gas Service Lines (measured from the Premises' property line to the Meter on Customer's Premises) for distances totaling up to 200 feet without charge to Customer. Company will perform a Feasibility Test and may require a CIAC to reimburse Company for the cost of a Main extension/Gas Service Line installation totaling in excess of 200 feet and any other Excess Facilities necessary to extend service if the anticipated revenue does not produce a reasonable return on the total cost of such Excess Facilities.
- (b) If Excess Facilities are required, Company shall perform a Feasibility Test to determine whether these additional facilities will require Customer to pay a CIAC.
- (c) A CIAC may be required for Facilities located at a point other than that selected by Company or deviating from the route selected by Company.
- (d) If a Feasibility Test is required, Company shall also calculate the estimated cost of the Main and Service Line in excess of the 200 feet for which no CIAC is required for new Customers occupying existing structures. For proposed new sub-divisions, the allowance for extensions of Mains and Service Lines will be considered only for existing structures that plan to use Gas at the time the Main is to be extended. Any CIAC shall be the lesser of (i) the CIAC calculated in the Feasibility Test, or (ii) the full cost of extending the lines beyond the initial 200-foot Main and Service Line allowance. The Feasibility Test shall include all costs directly associated with the Service extension.

- (e) Notwithstanding Paragraphs (a) and (d) above, Company shall perform a Feasibility Test to determine whether a CIAC is required for all extensions of Service when the Applicant's/Customer's request for Service does not include the use of Gas for either central space heating or water heating. Failure to install or utilize Gas Facilities as agreed upon within ninety (90) days of the time of Facilities extension may result in the Customer being charged for the cost of Company Facilities and installation, if Customer has been given written notice that such Customer may be charged for the cost of Company Facilities and installation if Gas is not used within ninety (90) days.
- (f) Location of Privately Owned Structures. Customer shall locate privately owned structures such as septic tanks, drain lines, water lines, and sprinkler systems prior to Company installing a Gas Service Line to Customer's Premises. Company and its contractors, if any, are not responsible for damages to privately owned facilities that are not adequately located.

24. FARM TAP SERVICE

- (a) Whenever an Applicant requests Service which can only be supplied from a high pressure (above 60 pounds per square inch gauge) Main, Company, subject to the results of a Feasibility Test, may tap the Main, install regulating Facilities, and extend its Facilities to the Delivery Point on Customer's Premises. Customer will provide Company with all necessary rights-of-way (including a station site) on its Premises at no expense to Company as set forth in Section 8 of these Service Regulations and shall execute a written right-of-way as requested by Company. Whether a CIAC is required of Customer prior to the installation of such Facilities shall be determined by the results of the Feasibility Test.
- (b) For a Farm Tap Customer, a Feasibility Test shall be performed which includes all costs less an allowance for Main and Gas Service Line required to serve Customer as provided in Section 23 of these Service Regulations.
- (c) Charges for Service shall be billed on the applicable Company Rate Schedule. All other terms and conditions of the applicable Company Rate Schedule(s) apply to Customers receiving Service using a Farm Tap.

25. CUSTOMER FACILITIES

- (a) An Applicant shall supply Company a list of Customer Facilities located on the Premises which may increase Customer's load to enable Company to determine the feasibility of providing Service. Company shall provide information concerning the availability of Service (including whether Company can serve the increased load), delivery pressure, Meter location and size, and other information which may be pertinent to the installation.
- (b) Customer Facilities must be installed and maintained in accordance with the manufacturer's instructions, approved installation standards, and the requirements of applicable local, state, and federal agencies. All Customer Facilities shall be maintained by, and be the sole responsibility of, Customer and/or the owner of the Premises.
- (c) If Customer Facilities have the potential to create a vacuum, back pressure, or any other condition, which, in Company's sole opinion, could cause operating difficulties on Company's system, a device meeting Company's specifications must be installed and maintained by Customer at Customer's sole expense to protect fully and completely Company's system.
- (d) Customer shall not introduce and/or store any flammable or combustible material within close proximity to a Gas appliance or other Facilities.

26. REQUESTS TO INCREASE LOAD OR PRESSURE

Customer shall make a request to Company and receive Company's permission before increasing Gas loads or pressure and before changing the purpose for which Customer uses Gas. The request shall specify, at a minimum, the name of Customer, type of Service needed, estimated monthly Gas consumption, required delivery pressure, and the date needed. If, in Company's sole opinion, it has the capability to provide the additional or changed Service without interfering with its ability to provide Service to its other Customers, Company shall allow Customer to increase Customer's load and/or pressure or to change the purpose for which Customer uses Gas. A CIAC may be required depending on the nature of the request.

27. EXCAVATION NEAR COMPANY FACILITIES

Customer shall inform Company of any excavation activities near Company Facilities located on Customer's Premises by calling North Carolina 811, Inc. at 811 or 1-800-632-4949 not less than three (3) working days nor more than twelve (12) working days prior to such activities. Customer will give a similar notice to Company prior to any additions or changes in Customer's Premises over, under, or near Company Facilities. Any damages incurred or losses of Gas resulting from any such activity shall be billed to, and paid by, Customer.

28. PROHIBITION AGAINST RESALE OF GAS

Customer shall not directly or indirectly sell, resell, assign, or otherwise transfer Gas to any Person unless such transfer is pursuant to a contract or franchise acceptable to Company and, if required, approved by the Commission. This prohibition against resale shall not apply to sales of Gas: (i) to housing authorities which, on October 1, 1996, purchased Gas or received authorization to purchase Gas from Company for resale to the residents of such housing authorities; (ii) resold as a vehicular fuel; (iii) to providers authorized to resell Gas pursuant to Chapter 24 of the Commission's Rules and Regulations; or (iv) as otherwise authorized by the Commission.

29. TAXES

Customer is responsible for payment of all taxes or tax liabilities attributable to or due in connection with the provision of Service by Company to the Customer, including any excise or sales tax. Customer is also responsible for the payment of any local, state, or federal tax, charge, or fee attributable to or arising out of the utilization of Gas delivered by the Company as a motor vehicle fuel.

30. NON-WAIVER

No delay or failure of Company to exercise any right or remedy provided by these Service Regulations, the Rate Schedules, the service agreement, or other documents controlling the terms of Service shall impair any such right or remedy, nor shall it be construed to be a waiver of any breach or default, or an acquiescence therein of any similar breach or default subsequently occurring. No waiver shall be valid unless it is in writing and signed by the party against which it is sought to be enforced. Any written waiver will be effective only to the extent specifically set forth.

TRANSPORTATION POOLING AGREEMENT

THIS AGREEMENT ("Agreement") is made this ____ day of _____, by and between PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INCORPORATED, a South Carolina corporation, hereinafter called "Company," with its main office at 800 Gaston Road, Gastonia, North Carolina 28056, and _____ (hereinafter "Pooler"), a _____ corporation, with its main office at _____.

WHEREAS, Company is willing to permit its Customers or their agents, which obtain transportation on a Pipeline or Renewable Gas from a supplier, to deliver Gas into Company's system for the purpose of enabling Customers to satisfy all of their Gas requirements through the use of transportation Services provided by Company; and

WHEREAS, Pooling will permit Customers or their agents to accumulate various privileges accorded individual Customers for the benefit of a group of Customers; and

WHEREAS, Pooling will benefit all of Company's Customers.

NOW, THEREFORE, for and in consideration of mutual covenants and promises contained herein, Company agrees to permit Pooling, and Pooler agrees to pool Gas supplies hereunder, in accordance with the following terms and conditions:

ARTICLE I **Definitions**

For the purposes of this Agreement, the following definitions shall apply:

1. "Customer" means any recipient of transportation Service provided by Company that procures its supply of Gas from a Pooler's Pool.
2. "Gas" means undiluted natural gas, or a substitute for natural gas, or any mixture of natural gas and a substitute for natural gas, as delivered by Company.
3. "Gas Day" means a period of twenty-four (24) consecutive hours as defined by NAESB.
4. "NAESB" means the North American Energy Standards Board, or its successor.
5. "Operational Order" means an order issued by Company when, in its sole discretion, Company anticipates that an imbalance between Gas quantities delivered by Pooler into a Pool and deliveries to Customers out of the Pool during a Gas Day may threaten the integrity of Company's system or operations or may impair service to firm customers.
6. "Over-Delivery" means an imbalance created when a Pooler's deliveries of Gas into its Pool exceed the quantities of Gas delivered by Pooler to Customers out of the Pool during a Gas Day.
7. "Pipeline" means any interstate pipeline, including Transco, which establishes a physical interconnection with Company's pipeline system.
8. "Pool" means an aggregation of Gas quantities for one or more Customers which Pooler establishes under this Agreement.
9. "Pooling" is a service provided by Company whereby a broker, marketer, producer, or any consumer of Gas qualifying for transportation Service under Company's Tariff, which obtains transportation on a Pipeline or Renewable Gas from a supplier and aggregates Gas supplies needed to satisfy the full requirements of one or more Customers of Company, and such Customer or Customers have assigned its rights to Pooler as agent, or such Customer is acting on its own behalf, for the purpose of delivering Gas to Company.
10. "Transco" means Transcontinental Gas Pipe Line Company, LLC, or its successor.
11. "Under-Delivery" means an imbalance created when a Pooler's deliveries of Gas to Customers out of its Pool exceed the quantities of Gas delivered by Pooler into the Pool during a Gas Day.

Any capitalized terms used herein, which are not defined herein, shall have the meanings set forth in the Service Regulations.

ARTICLE II
Applicability

All persons and entities that obtain transportation on a Pipeline or Renewable Gas from a supplier for the purpose of delivering Gas to an interconnection with Company shall be required to execute a Transportation Pooling Agreement. Unless Company agrees otherwise, only a single pooler may sell Gas to a Customer Account in one calendar month.

ARTICLE III
Term

This Agreement shall commence on the first day of _____, 20____, and shall continue thereafter for twelve (12) calendar months; provided, however, that the term shall be extended from year to year thereafter, subject to cancellation by either party upon expiration of the primary term or any subsequent one (1) year period upon at least thirty (30) days written notice given prior to expiration of the primary term or prior to the expiration of any one year period occurring thereafter. Notwithstanding the foregoing, Company may cancel or discontinue service under this Agreement as provided in Articles VIII, IX, and X below.

ARTICLE IV
Transportation Nomination Procedures

For each month that this Agreement is in effect, Pooler must submit its nomination for each month's transportation to Company using Company's electronic bulletin board or such other means authorized by Company no later than the NAESB deadline for the timely nomination cycle on the fourth business day prior to the beginning of each month.

Changes to nominations within the month must be submitted to Company using Company's electronic bulletin board or such other means authorized by Company no later than the NAESB deadline for the timely nomination cycle on the day prior to the day of Gas flow. Nominations should reflect anticipated demand of the Customers to be served by Pooler. Company will have no obligation to accommodate intraday nomination changes.

ARTICLE V
Pooling Procedures

For each month that this Agreement is in effect, Company will allow Pooler to create a Pool in which Pooler shall aggregate all Gas quantities delivered to Company by Pooler for delivery to Company's Customers or Pooler pursuant to Article IV above. Pooler agrees to make deliveries into its Pool at daily rates that are reasonably even and constant. Pooler may increase or decrease daily Gas deliveries to Company provided that any such change does not impair Company's operating ability, as determined by Company, in its sole discretion.

Notwithstanding the foregoing, Company may from time to time issue an Operational Order notifying Pooler to comply with any restrictions specified by Company in the Operational Order. Company will provide Pooler at least four (4) hours' advance notice of the effective time of any restrictions in an Operational Order. Pooler shall provide Company with the names, titles, telephone numbers, and email addresses of at least two representatives authorized by Pooler to receive such notices and shall promptly notify Company of any changes to such information.

When an Operational Order specifies that a Pooler take appropriate actions for any Gas Day to prevent Under-Delivery, upon Pooler's failure to comply with the Operational Order, Pooler shall pay Company a penalty for each Dekatherm that Pooler's Under-Delivery is greater than the percentage tolerance specified in the Operational Order of Pooler's approved nomination, such penalty equal to the higher of (i) \$50 per Dekatherm or (ii) three times the "Transco, zone 5 del." Midpoint price published in Platts Gas Daily, "Daily price survey" for the flow date on which the Under-Delivery occurred. For days of consumption when Gas Daily is not published, the daily price published by Gas Daily on the nearest subsequent day shall be used.

When an Operational Order specifies that a Pooler take appropriate actions for any Gas Day to prevent Over-Delivery, upon Pooler's failure to comply with the Operational Order, Pooler shall pay Company a penalty for each Dekatherm that Pooler's Over-Delivery is greater than the percentage tolerance specified in the Operational Order of Pooler's approved nomination, such penalty equal to the higher of (i) \$50 per Dekatherm or (ii) three times the "Transco, zone 5 del." Midpoint price published in Platts Gas Daily, "Daily price survey" for the flow date on which the Over-Delivery occurred. For days of consumption when Gas Daily is not published, the daily price published by Gas Daily on the nearest subsequent day shall be used.

ARTICLE VI
Gas Measurement

The quantity and heating value of the Gas delivered by Pooler to Company shall be determined by the transporting Pipeline(s) in the manner provided in its (their) tariff(s) or, for Renewable Gas, by Company in the manner provided in the Service Regulations.

ARTICLE VII
Full Requirements Service

For each month that this Agreement is in effect, Pooler agrees to satisfy the full requirements for Gas for each Customer Account on Pooler's designated list provided pursuant to Article IV for each such month. Pooler's ability to satisfy all such requirements for Gas in any month shall be determined by subtracting the Customers' actual consumption for the listed Customer Accounts in that month from the total actual deliveries received in that month on the Pooler's account. Any imbalance resulting from an adjustment to actual consumption or deliveries due to meter inaccuracy, billing error, or otherwise, after the month in which such Gas requirements were determined, shall be cashed out under the procedure provided in Article VIII with all adjusted quantities cashed out under either paragraph 1 for shortage quantities or paragraph 1 for excess quantities, as applicable.

ARTICLE VIII
Pool Balancing Procedures

Pooler and any other pooler authorized to obtain Pooling from Company may trade monthly imbalances if the resulting trade will reduce the imbalance for each pooler. Imbalance trades must be made using Company's electronic bulletin board or such other means authorized by Company no later than the third (3rd) business day following the month in which the imbalances occurred. If Pooler has an imbalance remaining after the close of the trading period, such imbalance shall be cashed out according to the procedures set forth below.

If Pooler's Pool has insufficient Gas available to satisfy the actual needs of the Customer Account(s) to be served from the Pool in any month, the cashout procedure shall be as follows:

1. If such shortage is less than or equal to two percent (2%) of the Customers' actual usage, for each Dekatherm of such shortage, Company shall sell to Pooler Gas required to cover such shortage quantities at a rate equal to the first of the month price for the month in which such shortage occurred for Transco Station 65 as published in Natural Gas Week, plus (a) for the months of November through March, the one hundred percent (100%) load factor rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, plus applicable fuel retention and all applicable surcharges, or (b) for the months of April through October, the commodity rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, including applicable fuel retention and surcharges, plus \$.05.
2. If such shortage is greater than two percent (2%) of the Customers' actual usage, for each Dekatherm of such shortage, Company shall sell to Pooler Gas required to cover such shortage quantities at a rate equal to the higher of the first of the month price or the highest weekly price for any subsequent week for the month in which such shortage occurred for Transco Station 65 as published in Natural Gas Week, multiplied by the premium percentage shown below corresponding to the percentage of the shortage, plus (a) for the months of November through March, the one hundred percent (100%) load factor rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, plus applicable fuel retention and all applicable surcharges, or (b) for the months of April through October, the commodity rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, including applicable fuel retention and surcharges, plus \$.05.

Shortage Percentage	Premium Percentage
Over 2% & equal to or less than 5%	110%
Over 5% & equal to or less than 10%	120%
Over 10% & equal to or less than 15%	130%
Over 15%	150%

If Pooler's Pool has Gas in excess of the actual needs of the Customer Account(s) in any month, the cashout procedure shall be as follows:

1. If such excess is less than or equal to two percent (2%) of the Customers' actual usage, for each Dekatherm of such overage, Company shall purchase from Pooler such excess quantities of Gas at a rate equal to the first of the month price for the month in which the excess accumulated for Transco Station 65 as published in

Natural Gas Week, plus (a) for the months of November through March, the one hundred percent (100%) load factor rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, plus applicable fuel retention and all applicable surcharges, or (b) for the months of April through October, the commodity rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, including applicable fuel retention and surcharges, plus \$.05.

2. If such excess is greater than two percent of the Customers' actual usage, for each Dekatherm of such overage, Company shall purchase from Pooler such excess quantities of Gas at a rate equal to the lower of the first of the month price or lowest weekly price for any subsequent week for the month in which the excess accumulated for Transco Station 65 as published in Natural Gas Week, multiplied by the discount percentage shown below corresponding to the percentage of the excess, plus (a) for the months of November through March, the one hundred percent (100%) load factor rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, plus applicable fuel retention and all applicable surcharges, or (b) for the months of April through October, the commodity rate under Transco's currently effective Rate Schedule FT for deliveries from Transco's Zone 3 to Zone 5, including applicable fuel retention and surcharges, plus \$.05.

Excess Percentage	Discount Percentage
Over 2% & equal to or less than 5%	90%
Over 5% & equal to or less than 10%	80%
Over 10% & equal to or less than 15%	70%
Over 15%	50%

If, for any month, the imbalance in Pooler's Pool exceeds twenty-five percent (25%), either positive or negative, Company shall have the right, in its sole discretion, to cancel this Agreement and to suspend the Pooler's right to establish a Pool for delivery to Customers that transport on Company's system for twelve (12) months.

ARTICLE IX
Creditworthiness

Company shall not commence service to Pooler, and Company has the right to discontinue service upon five (5) days' written notice to Pooler, if Pooler fails to meet Company's creditworthiness criteria. Company shall apply consistent evaluative practices to determine the acceptability of Pooler's overall financial condition, working capital, and profitability trends. Acceptable creditworthiness is demonstrated by meeting the following criteria:

1. At Company's request, Pooler shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss the Pooler's financial status, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available.
2. At Company's request, Pooler shall provide a bank reference and at least two trade references. Pooler authorizes Company to obtain a current credit report on Pooler to determine whether to extend credit and releases generally all creditors to disclose otherwise confidential information. The results of reference checks and any credit reports submitted must show that Pooler's obligations are being paid on a prompt basis.
3. At Company's request, Pooler shall provide a guarantee by a person or another entity acceptable to Company that satisfies the credit appraisal, or a standby irrevocable letter of credit drawn upon a bank acceptable to Company.
4. Pooler must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws such as an assignment for the benefit of creditors, or any informal creditors' committee agreement.
5. Pooler shall not be subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts or before other governmental or regulatory bodies having jurisdiction, which could cause a substantial deterioration in its financial condition, a condition of insolvency, or an impairment of Pooler's ability to exist as an ongoing business entity.
6. Pooler shall have no significant collection lawsuits or judgments outstanding that might affect Pooler's ability to remain solvent.
7. If any of the events or actions described in paragraphs 4, 5, and 6 above shall be initiated or imposed during the terms of service under this Agreement, Pooler shall provide notification thereof to Company within two (2)

working days of any such initiated or imposed event or action.

8. If Pooler has an ongoing business relationship with Company, no delinquent balances shall be consistently outstanding for undisputed billings made previously by Company, and Pooler must have paid its account in the past according to the established terms and not made deductions or withheld payment for claims other than for disputed billings.

ARTICLE X
Billing and Payment

No later than three (3) business days following Company's end-of-the-month meter reading date for the month of delivery, Company will provide Pooler with a statement detailing the total quantities delivered by Pooler into its Pool for the preceding month as well as the total metered consumption in Dekatherms for each individual Company Customer Account served by Pooler. Pooler is responsible for billing each of Company's Customer(s) served from Pooler's Pool for all Gas consumed by such Customers determined pursuant to Article VII above except for unauthorized quantities or other penalties assessed directly to a Customer by Company. Company shall continue to bill its applicable transportation and Facilities Charges directly to the Customer.

If the total quantities present in Pooler's Pool fail to cover the total accumulated usage for Company's Customer(s) served by Pooler's Pool in any month, Company shall bill Pooler for any shortage quantities pursuant to the procedures described in Article VIII above. Such statement shall be furnished to Pooler by Company no later than the fifth (5th) business day following Company's end-of-the-month meter reading date for the month of delivery and is due and payable within ten (10) days after the statement date. A bill shall be deemed delinquent when it remains unpaid after the due date set forth on the bill. If Pooler fails to remit the full amount when due, interest on the unpaid portion shall accrue at a rate of one percent (1%) per month. If a Pooler withholds any portion of any amount billed by Company as a disputed amount and any portion or all of the amount so withheld is determined to have been properly billed, then interest (as set forth above) shall accrue on the withheld amount that was properly billed from the date due until the date that Company receives it. Company may terminate this Agreement when any bill becomes delinquent.

If the total quantities present in Pooler's Pool exceed the total accumulated usage for the Customer(s) served from Pooler's Pool in any month, Company shall purchase such Gas pursuant to the procedures described in Article VIII above. Company shall furnish Pooler with a statement identifying the quantities purchased from Pooler no later than the fifth (5th) business day following Company's end-of-the-month meter reading date for the month of delivery and shall pay Pooler no later than ten (10) days after the statement date.

ARTICLE XI
Force Majeure

The term "Force Majeure," as used herein, and as applied to Company or Pooler, shall mean acts of law including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other disturbances, acts of a public enemy, war, blockades, insurrections, riots, epidemics, lightning, fires, floods, washouts, arrests, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, freezing of wells or pipelines, or any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the affected party. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party affected.

Such causes or contingencies affecting the performance of this Agreement by Company or the Pooler shall not relieve the affected party of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by facsimile to the other party as soon as reasonably practical after the occurrence of the cause relied upon, nor shall such causes or contingencies affecting this Agreement by either party relieve it of liability in the event of its concurring negligence, nor shall such causes or contingencies affecting the performance of this Agreement relieve either party from its obligations to make payments of amounts due under the Agreement for Gas already allocated to the Customers served by Pooler.

ARTICLE XII
Miscellaneous

1. No modification of the terms and provisions of this Agreement shall be or become effective except by the execution of a written agreement or by modification of Company's Tariff.
2. No waiver by any party of any one or more defaults by any other party in the performance of any provisions of this Agreement shall operate or be construed as a waiver or any other default or defaults, whether of a like or of a different character.
3. Any company, which shall succeed by purchase, merger, or consolidation to the properties, substantially as

an entirety, of Company or of Pooler, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Without relieving itself of its obligations under this Agreement, any party may assign any of its rights hereunder to a company with which it is affiliated, but otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party, provided that such consent will not be unreasonably withheld.

4. Except as otherwise provided, any notice, request, demand, statement, or bill provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when delivered to the United States Postal Service to be sent by registered or certified mail to the Post Office address of the parties hereto, as the case may be, or at such address as either party shall designate by formal written notice, as follows:

Notices to Company:

Public Service Company of North Carolina,
Incorporated
Attention: Transportation & Administration
220 Operation Way MC E31
Cayce, South Carolina 29033-3701
Telephone: (803) 217-5307
E-mail:
NCTransAdmin@dominionenergy.com

Payments to Company:

Public Service Company of North Carolina,
Incorporated Treasurer's Account
Wells Fargo Bank NA
Minneapolis, MN 55702
ABA No: *call to request*
Account. No: *call to request*

Notices to Pooler: (Enter Applicable Information)

Pooler Name

Address

City / State/ Zip Code

Telephone Number

E-mail Address

Payments to Pooler: (Enter Applicable Information)

Pooler Name

Pooler Bank Name

ABA Number

Account Number

6. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.
7. The construction, interpretation, and performance of this Agreement shall be in accordance with the laws of the State of North Carolina, excluding any conflicts-of-law rule or principle which might refer the construction, interpretation, or performance of this Agreement to the law of another jurisdiction.
8. In the event of a conflict between the provisions of this Agreement and Company's Tariff, Company's Tariff shall control.
9. This Agreement supersedes all preexisting agreements for Pooling between Company and Pooler.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as indicated below.

COMPANY

POOLER

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Type or Print)

Name: _____
(Type or Print)

Title: _____

Title: _____

GAS QUALITY STANDARDS FOR RENEWABLE GAS

These Gas Quality Standards set forth the terms and conditions under which Company will accept Renewable Gas onto its system and pursuant to which it will continue to accept and redeliver such gas to Customers receiving service from Company. The terms of these Gas Quality Standards may be modified from time-to-time, with the approval of the Commission, based upon Company's actual operating experience with Renewable Gas and/or any threats to Company's ability to provide safe, reliable, and economic natural gas service to the public.

For purposes of these Gas Quality Standards, "Renewable Gas" shall mean gas capable of combustion in customer appliances or facilities which is similar in heat content and chemical characteristics to natural gas produced from traditional underground well sources and which is intended to act as a substitute or replacement for natural gas. Renewable Gas shall include but not be limited to biogas, biomethane, and landfill gas, as well as any other type of natural gas equivalent produced or manufactured from sources other than traditional underground well sources. For purposes of the application of Company's Rate Schedules and Service Regulations, Renewable Gas shall be treated in a manner equivalent to "Gas" (as that term is defined in the Service Regulations) except to the extent that these Gas Quality Standards specify more restrictive obligations applicable to Renewable Gas, in which case the provisions of these Gas Quality Standards shall control.

Receipt of Renewable Gas

Company's obligation to receive and accept Renewable Gas shall be limited as set forth below and to situations where Company is able to physically receive the Renewable Gas into its system without materially impacting its ability to provide service to Customers, meet its legal, contractual, and regulatory obligations, or safely and reliably operate its system. Construction of facilities needed to receive and accept Renewable Gas shall be governed by Company's standard feasibility analyses and Company shall have no obligation to construct economically infeasible facilities to enable receipt of Renewable Gas. Company may require prospective suppliers of Renewable Gas to enter into interconnection and facilities reimbursement agreements, as discussed below, as a condition to receipt and acceptance of Renewable Gas.

Testing Requirements

Initial Testing. Prior to the initial receipt of Renewable Gas by Company, any supplier thereof shall provide the results of an independent laboratory test demonstrating that supplier's Renewable Gas is in conformance with the Gas Quality Standards set forth herein. Supplier shall also provide Company with the results of an additional laboratory test on a second sample of its Renewable Gas taken at least seven (but no more than fourteen) days after the initial test sample, confirming the continuing conformance of supplier's Renewable Gas with the standards set forth herein. After the initial receipt of Renewable Gas by Company, any supplier thereof shall provide the results of three consecutive independent laboratory tests, performed no less than thirty days (or more than 45 days) apart, demonstrating that supplier's Renewable Gas is in conformance with the Gas Quality Standards set forth herein. Such testing shall be performed by an independent third-party laboratory satisfactory to Company at supplier's sole cost and expense.

Subsequent Testing. If receipt of supplier's Renewable Gas is interrupted or suspended by Company pursuant to the terms hereof, then prior to resumption of acceptance of deliveries of Renewable Gas from such supplier, and at the reasonable discretion of Company, that supplier may be required to provide the results of an independent laboratory test, demonstrating that supplier's Renewable Gas continues to be or has been restored to be in conformance with the Gas Quality Standards set forth herein. If such subsequent independent laboratory testing is required by Company, Supplier shall also provide Company with the results of an additional laboratory test on its Renewable Gas conducted within seven days of the initial test, confirming the conformance of supplier's Renewable Gas with the standards set forth herein. These provisions for Subsequent Testing shall not apply to (i) simple disruptions in the flow or production of Renewable Gas that occur in the normal course of supplier's business operations and which do not otherwise involve circumstances that would authorize Company to curtail the receipt of such supplies hereunder, or (ii) to non-material and/or incidental deviations from the specific Renewable Gas Quality Standards set forth below related to Temperature, Methane Content, CHDP, Nitrogen, Oxygen, Carbon Monoxide, Total Inerts, Heating Value, Interchangeability, Total Sulfur, Carbon Dioxide, Water, or Hydrogen Sulfide, so long as any such deviations are not recurring in nature and do not pose a threat to Company's equipment or facilities, the equipment or facilities of Customers, or to Company's ability to provide continuous, safe, and reliable service to the public.

Quarterly Testing. In addition to the other testing requirements set forth herein, and on no less than a quarterly basis, supplier shall provide to Company the results from independent laboratory testing, satisfactory to Company and at supplier's sole cost and expense, demonstrating that supplier's Renewable Gas continues to conform to the Gas Quality Standards set forth herein. Company may waive the quarterly testing requirement if, in the reasonable exercise of Company's discretion, it concludes that the percentage of Renewable Gas to be received at a specific interconnect

point is immaterial in relation to the amount of geologic natural gas flowing through Company's system at that point such that the receipt of Renewable Gas at that point will not have a detrimental impact on Company's system, its operations, or services provided to Customers.

Supplemental Testing. Company reserves the right to request supplier, at supplier's sole expense, to perform additional testing for constituent or contaminant compounds in addition to those expressly listed herein, should (i) the presence of such compounds be determined by Company to be reasonably possible in supplier's Renewable Gas stream, and (ii) should such constituents or compounds pose an actual or prospective threat to Company's system or the provision of safe and reliable natural gas service to Customers.

Renewable Gas Source. In the event a supplier flowing Renewable Gas onto Company's system determines to alter its source of production of Renewable Gas or to take action that might otherwise be expected to change the characteristics or constituent components of its gas stream, supplier shall promptly notify Company, in advance, of such prospective change and Company shall have no obligation to receive Renewable Gas from such supplier until it has been provided with the results of two consecutive independent laboratory tests, performed no less than seven days apart, demonstrating that supplier's modified Renewable Gas is in conformance with the Gas Quality Standards set forth herein. Such testing shall be performed by an independent third-party laboratory satisfactory to Company at supplier's sole cost and expense.

With regard to any of the testing provided for above, Company shall be provided reasonable advance notice of such testing and shall have the right to observe the samples being taken. Test results shall be promptly shared between Company and supplier upon receipt of such results from the testing laboratory. With regard to any of the testing provided for above, and upon request of a supplier and in the reasonable exercise of Company's discretion, Company will waive the requirement for laboratory testing for one or more constituent components, on a not unduly discriminatory basis, where certified field testing equipment satisfactory to Company is available to test for those components.

The Renewable Gas testing requirements set forth above shall include tests for and reportable levels of each of the constituent elements set forth below. To the extent that two consecutive laboratory tests demonstrate non-detectable levels of one or more of the constituent compounds set out below from a supplier's Renewable Gas stream at a specific interconnect point, Company will consider, in the reasonable exercise of its discretion, written requests for waiver of the requirement to continue testing for such constituent compounds at that specific interconnect point. Company may grant or deny such petition in the reasonable exercise of its discretion subject only to the requirement that any decision to deny a petition for a waiver or to revoke a waiver once granted shall state the basis for the decision in sufficient detail to facilitate further discussions and/or review of the decision by the Commission. Any such waiver shall be revocable in the reasonable exercise of Company's discretion subject to the requirements of the foregoing sentence.

Renewable Gas Quality Standards

All Renewable Gas delivered to Company shall fully comply with the quality standards and specifications set forth below.

Renewable Gas delivered to Company shall be free of components which might interfere with its merchantability or cause damage to the operation of Company's system or equipment or those of Customers. All such Renewable Gas delivered to Company shall specifically conform to the following minimum Gas Quality Standards:

Delivery Temperature: Minimum of 40°F and maximum of 120°F.

Methane: Minimum methane content of 94%.

Heating Value: Between 980 and 1100 Btu/SCF at dry gas conditions (14.73 psia at 60°F).

Interchangeability: All Renewable Gas delivered by any single supplier thereof shall fall within a WOBBE range of 1290 to 1370.

Hydrogen Sulfide (H₂S): Less than or equal to 0.25 grain/100 SCF.

Mercaptan: Shall not exceed 0.5 grain/100 SCF.

Total Sulfur: Less than or equal to 10 grain/100 SCF, including sulfur from hydrogen sulfide and mercaptan.

Water: Less than or equal to 7 pounds/MMSCF at dry gas conditions (14.73 psia at 60°F).

CHDP: Not greater than 20°F.

Carbon Dioxide (CO₂): Not more than 2% by volumetric basis.

Nitrogen: Not more than 2% by volumetric basis.

Oxygen: Not more than 0.2% by volumetric basis.

Carbon Monoxide (CO): Not more than 0.1% by volume.

Total Inerts: Not more than 3.2% by volumetric basis. For purposes of this provision, Total Inerts are defined as Oxygen, Nitrogen, and Carbon Dioxide.

Hydrogen: No more than 600 ppm.

Solid Particle Size: Gas filtration is required and shall be sufficient to remove 99.99% of solid particles 3 microns or larger.

Dust, Gums & Solid Matter: The gas shall be free of dust, gums, gum-forming constituents, or other liquid or solid matter which might become separated from the gas in the course of transportation through pipelines.

Biologicals: Gas, including any associated liquids, shall not contain any micro-biological organisms exceeding 4 x 10⁴/scf (qPCR per APB, SRB, IOB group), active bacteria or bacterial agents > 0.2 microns.

Organic Silicon (Siloxanes): Total Organic Silicon (siloxanes) shall not be greater than 0.40 mg of Si/Nm³.

Odorization Masking/Fading Agents (VOC): Gas shall be free of agents, compounds, or the like which will interfere with the process of the human olfactory process in the recognition of odorized natural gas through bonding with the odorant or causing interference with the human olfactory senses.

VOC: Renewable Gas shall be free from any halogenated compounds that when, through the process of combustion, form dioxins.

The following Constituents of Concern shall be limited as indicated:

Constituent	Limit mg/m ³ (ppmv)
Arsenic	0.48 (0.15)
p-Dichlorobenzene	140 (24)
Ethylbenzene	650 (150)
n-Nitroso-di-n-propylamine	0.81 (0.15)
Vinyl Chloride	21 (8.3)
Antimony	30 (6.1)
Copper	3.0 (1.2)
Lead	3.8 (0.44)
Methacrolein	53 (18)
Alkyl thiols (mercaptans)	N/A (610)
Toluene	45,000 (12,000)

If additional equipment is required to ensure consistent compliance of supplier's Renewable Gas to the Gas Quality Standards set forth above, Company may require supplier to purchase, and promptly install, any additional equipment necessary to meet the referenced gas quality specifications at supplier's expense. The unreasonable refusal to do so shall be a violation of supplier's obligations hereunder.

Termination of Obligation to Receive Gas

Except as otherwise provided below, if Renewable Gas proffered for delivery to Company fails to meet the specifications of the Gas Quality Standards set forth herein, or is otherwise out of conformance with the provisions of these Gas Quality Standards, Company may interrupt or suspend its receipt and acceptance of such Renewable Gas until such Renewable Gas is in conformity with these Gas Quality Standards and such conformity is verified by an independent certified third-party laboratory satisfactory to Company as provided above; except in circumstances where field testing for such compliance is permitted under the provisions of Subsequent Testing set forth above. Notwithstanding Company's right to terminate its receipt of Renewable Gas for non-compliance with the Gas Quality Standards set forth herein, Company will not terminate such receipt for minor non-compliance with such standards applicable to the

enumerated constituent component measurements of a producer's Renewable Gas stream listed under Subsequent Testing above (except Temperature), where:

- (a) Such constituent components can be measured in real time by field equipment operated or monitored by Company;
- (b) Variances for one or more of the constituent component measurements listed under Subsequent Testing (except Temperature) do not exceed standards by more than ten percent (10%);
- (c) Variances for one or more of the constituent component measurements listed under Subsequent Testing (except Temperature) do not exceed four hours in duration; and
- (d) No operational problems or continuity of service issues are created for Company by the variance, as determined in the reasonable exercise of Company's discretion.

Company shall provide electronic notice to any producer of variations from standards found in such producer's Renewable Gas stream. The four-hour limit on the duration of any variances for the constituent component measurements identified above (except Temperature) shall commence upon the issuance of such notice.

Company shall also have the right to interrupt or suspend the receipt of Renewable Gas at any time from any supplier in the event that: (i) constituent compounds or components of supplier's Renewable Gas are determined to pose an actual or potential health risk to the public or to Company's employees that is different in degree or nature from the risks normally attendant upon the use and transportation of natural gas; (ii) testing or other evidence reasonably indicates that supplier's Renewable Gas contains constituent compounds or components reasonably likely to cause or actually causing harm to Company's facilities or equipment (including corrosion damage); (iii) testing or other evidence reasonably indicates that supplier's Renewable Gas contains constituent compounds or components reasonably likely to cause or actually causing harm to the facilities or equipment of Customers (including corrosion damage); or (iv) the chemical characteristics or physical properties of supplier's Renewable Gas are impeding PSNC's ability to provide safe and reliable service to Customers.

In the event of such interruption or suspension of service, Company shall have no obligation to resume receipt of Renewable Gas from supplier until the correction or remediation of the problem prompting such interruption or suspension of service has occurred as determined by Company in the exercise of its reasonable discretion.

Interconnection Agreement

Prior to and as a condition of delivering Renewable Gas to Company and Company's acceptance thereof, any proposed supplier must enter into an interconnection and facilities reimbursement agreement with Company addressing, to Company's reasonable satisfaction, the terms and conditions applicable to construction and payment for any needed incremental facilities required to accept or receive supplier's Renewable Gas. Company shall have no obligation to accept or receive Renewable Gas until such agreement is executed and its obligations to accept and receive Renewable Gas following such execution shall be governed by the interconnection and reimbursement agreement and these Gas Quality Standards. In the event of a conflict between the provisions set forth in these Gas Quality Standards and the terms and conditions of an interconnection and reimbursement agreement, the provisions of these Gas Quality Standards shall control.

Measurement Requirements

Company will measure, or receive data from the supplier to measure, on a daily or continuous basis, the quantity, heat content, WOBBE value, and specific gravity of all Renewable Gas delivered to Company at each point of delivery into Company's system utilized by Renewable Gas suppliers.

Indemnity/Liability

As a condition to the receipt and acceptance of Renewable Gas by Company, all suppliers of Renewable Gas shall indemnify and hold Company harmless from any and all claims, suits, actions, debts, accounts, damages, costs, losses, and expenses, including reasonable attorney fees, (i) arising from or related to the delivery to Company by supplier of any Renewable Gas that fails to meet the Gas Quality Standards set forth herein or otherwise is not in compliance with these Gas Quality Standards, or (ii) arising from or related to damage to Company's equipment or facilities or the equipment or facilities of Customers from receipt of supplier's Renewable Gas.

COMPANY SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO SUPPLIER, SUPPLIER'S CUSTOMER, OR ANY THIRD-PARTY ASSOCIATED WITH ITS EXERCISE OF THE RIGHT TO INTERRUPT OR SUSPEND RECEIPT OF RENEWABLE GAS AS PROVIDED FOR ABOVE AND IN NO EVENT SHALL BE LIABLE FOR ANY PUNITIVE, CONSEQUENTIAL, OR EXEMPLARY DAMAGES ARISING FROM ITS RECEIPT OR ACCEPTANCE (OR FAILURE TO RECEIVE OR ACCEPT) RENEWABLE GAS UNDER THE TERMS HEREOF OR OTHERWISE.

Schedule A

Public Service Company of North Carolina, Inc.

Docket No. G-5, Sub 632

Docket No. G-5, Sub 634

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.
CURRENT AND PROPOSED RATES
DOCKET NO. G-5, SUBS 632 AND 634
Feb-22
SCHEDULE A

OFFICIAL COPY

Jan 26 2022

RATE SCHEDULE NO.	DESCRIPTION	CURRENT RATES [1]	TAX RIDER DECREMENT CHANGE [2]	PROPOSED RATES
101 Winter	Charge per therm	\$1.19189	\$0.00292	\$1.19481
101 Summer	Charge per therm	\$1.11296	\$0.00292	\$1.11588
102 Winter	Charge per therm	\$1.07592	\$0.00292	\$1.07884
102 Summer	Charge per therm	\$0.99699	\$0.00292	\$0.99991
115 Winter	Charge per therm	\$1.15442	\$0.00292	\$1.15734
115 Summer	Charge per therm	\$1.07549	\$0.00292	\$1.07841
125	Charge per therm - 1st 500	\$0.99192	\$0.00149	\$0.99341
	Charge per therm - Next 4,500	\$0.93213	\$0.00149	\$0.93362
	Charge per therm - Over 5,000	\$0.87239	\$0.00149	\$0.87388
126	Charge per therm	\$0.84709	\$0.00149	\$0.84858
127	Charge per therm - 1st 500	\$0.89165	\$0.00149	\$0.89314
	Charge per therm - Next 4,500	\$0.83186	\$0.00149	\$0.83335
	Charge per therm - Over 5,000	\$0.77212	\$0.00149	\$0.77361
135	Charge per therm	\$1.36051	\$0.00022	\$1.36073
140	Charge per therm - 1st 1,000	\$0.86822	\$0.00149	\$0.86971
	Charge per therm - Over 1,000	\$0.81802	\$0.00149	\$0.81951
145	Charge per therm - 1st 15,000	\$0.71338	\$0.00039	\$0.71377
	Charge per therm - Next 15,000	\$0.68728	\$0.00039	\$0.68767
	Charge per therm - Next 15,000	\$0.66396	\$0.00039	\$0.66435
	Charge per therm - Next 15,000	\$0.63349	\$0.00039	\$0.63388
	Charge per therm - Next 1,000,000	\$0.60815	\$0.00039	\$0.60854
	Charge per therm - All Over 1,060,000	\$0.58989	\$0.00039	\$0.59028
150	Charge per therm - 1st 15,000	\$0.64092	\$0.00022	\$0.64114
	Charge per therm - Next 15,000	\$0.61473	\$0.00022	\$0.61495
	Charge per therm - Next 70,000	\$0.58858	\$0.00022	\$0.58880
	Charge per therm - Next 500,000	\$0.56281	\$0.00022	\$0.56303
	Charge per therm - All Over 600,000	\$0.53667	\$0.00022	\$0.53689
175	Charge per therm - 1st 15,000	\$0.16779	\$0.00039	\$0.16818
	Charge per therm - Next 15,000	\$0.14191	\$0.00039	\$0.14230
	Charge per therm - Next 15,000	\$0.11878	\$0.00039	\$0.11917
	Charge per therm - Next 15,000	\$0.08857	\$0.00039	\$0.08896
	Charge per therm - Next 1,000,000	\$0.06344	\$0.00039	\$0.06383
	Charge per therm - All Over 1,060,000	\$0.05465	\$0.00039	\$0.05504
180	Charge per therm - 1st 15,000	\$0.12400	\$0.00022	\$0.12422
	Charge per therm - Next 15,000	\$0.09802	\$0.00022	\$0.09824
	Charge per therm - Next 70,000	\$0.07208	\$0.00022	\$0.07230
	Charge per therm - Next 500,000	\$0.04651	\$0.00022	\$0.04673
	Charge per therm - All Over 600,000	\$0.02058	\$0.00022	\$0.02080

[1] Docket No. G-5, Sub 638, Schedule C

[2] Docket No. G-5, Sub 632, Revised Settlement Exhibit K, Schedule 1 of 1

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Clean Versions of New and Revised Tariff and Service Regulations, as filed in Docket Nos. G-5, Sub 632 and G-5, Sub 634, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 26th day of January, 2022.

/s/Mary Lynne Grigg

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