

Steam Tariff

SUPPLEMENT NO. 61 TO  
STEAM – PA PUC NO. 4

ENERGY CENTER HARRISBURG LLC  
RULES AND REGULATIONS AND RATE SCHEDULES  
FOR STEAM SERVICE

In the City of Harrisburg, Dauphin County, Pennsylvania

Issued by:

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**NOTICE**

Filed to update Steam Cost Rate SCR-1a consistent with Commission Secretarial Letter dated August 31, 2020 at Docket No. M-2020-3021068.

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ISSUED: September 16, 2020

EFFECTIVE: September 1, 2020

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

This Tariff Supplement No. 61 updates the Steam Cost Rate SCR-1a consistent with the rate approved by Commission Secretarial Letter, dated August 31, 2020, at Docket No. M-2020-3021068. Pursuant to the Secretarial Letter, the new rate became effective on September 1, 2020.

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## DEFINITIONS

As used in this tariff, the following terms shall have the following meaning:

“Applicant.” A person who applies to the Company to receive service as a steam Customer.

“Commission.” The Pennsylvania Public Utility Commission.

“Company.” NRG Energy Center Harrisburg LLC.

“Company Service Line.” The steam line which extends from the Company’s main to the point of delivery at the Company’s installation at the curb.

“Customer.” A person who contracts for and/or who receives service from the Company.

“Company Service Line.” The steam line which connects the Company’s service line with the Customer’s service installation.

“Customer Service Installations.” All piping, appliances and apparatus located on a Customer’s premises, which transport or use steam supplied by the Company, and which is connected to the Company’s service line by means of the Customer’s service line.

“NRG.” NRG Energy Center Harrisburg LLC.

“Mlb.” 1,000 lbs.

“Point of Delivery.” The Company’s installation at the curb.

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**RULES AND REGULATIONS****1. CONTRACTS**

(a) An Applicant for service furnished by the Company must apply for service in person and may be required to sign a contract which will be binding only after acceptance in writing by an authorized representative of the Company. No representations or promises of any employee of the Company shall be binding unless made in writing over the signature of an officer of the Company. All contracts are subject to the rules and regulations and rate schedules set forth in this tariff and all supplements to this tariff which are or may be from time to time filed and posted by the Company in accordance with the Pennsylvania Public Utility Code.

(b) Except for residential Customers or as otherwise specifically provided, all contracts with the Company are for a period of not less than one year and steam heating season agreements under all schedules shall remain in force from year to year, but such contracts may be terminated by either party as of September 15<sup>th</sup> of any succeeding year upon thirty-one (31) days' written notice to the other party.

(c) The Company may deem an Applicant to be applying for temporary service if the Customer does not have a lease or rental agreement with the owner of the premises giving that Applicant the right to occupy the premises to which steam service is sought for a period of at least one hundred and eighty (180) days. In that case, the Company may require payment for steam service in the amount of the total estimated gross bill for such period of occupancy.

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(d) A new application must be made to the Company upon any change in ownership where the owner of the property is the Customer, or upon any change in the identity of a lessee where the lessee of the property is the Customer. The Company shall have the right to discontinue or otherwise interrupt steam service, upon three (3) days' notice, if a new application has not been made and approved for the new Customer. If service is not discontinued in such a case, acceptance of service by the occupant will be deemed to continue a contract to pay under this tariff and to take service in accordance with the rules set forth in this tariff.

## **2. RIGHT-OF-WAY; METER SPACE; INGRESS AND EGRESS**

Customers shall provide without charge a legally sufficient right-of-way acceptable to the Company for such pipes as in the judgment of the Company are necessary to the furnishing of service. Customers also shall provide and maintain without charge, in convenient locations acceptable to the Company, space for the accommodation of the Company's meters and other apparatus installed on the premises of Customers. At all reasonable hours when a contract for service is in effect and after its termination, the Company's representatives shall have the right of ingress to and egress from the premises of Customers and shall have free and clear access to metering equipment for any and all purposes connected with the service rendered and for the exercise of any and all the Company's rights pursuant to this tariff.

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**3. SERVICE PIPES AND EQUIPMENT**

The Company shall install and maintain its pipes and equipment on its side of the point of delivery, but shall not be required to install or maintain any pipes, equipment or apparatus, except meters and meter accessories beyond that point, unless specifically provided for in schedules.

**4. CONNECTIONS TO CUSTOMERS' SERVICE LINES**

(a) The ordinary method of connection between the Company's distribution system and Customers' service lines will be by service lines owned by the Company from its main. If Customers desire to have connections made in any other manner, special arrangements may be made with the consent of the Company, which consent may be withheld at the Company's sole discretion. A connection made pursuant to such special arrangements shall be installed and maintained at the cost of the Customer requesting such connection.

(b) The Company reserves the right to make any service connection to its mains at such time so steam can be shut off in the section of the main supplying system.

(c) Customers' service installations shall be installed in accordance with the Company's instructions and specifications and may be subject to the Company's inspection and approval. The Company may refuse to make connections to or to continue service whenever in its judgment such installations are not in proper operating condition, or alternatively, may make a connection upon adequate assurances provided by the Customer, combined with an agreement to hold the Company harmless and maintain adequate insurance, with the Company being an additional insured on such policy. If the Customer maintains such an insurance policy, then the Customer shall provide a copy of such policy to the Company every six (6) months.

(d) The Company's mains provide for connections at intervals of fifty (50) feet, more or less, and it may be reasonable and efficient to connect an adjoining building or buildings with service pipe leading into an Applicant's building by a lateral or connecting pipe. An Applicant, by acceptance of the contract, thereby gives permission to the Company during the term of the contract and thereafter, to make and continue such connections on the Applicant's/Customer's premises and through his walls. Such connections shall be made at the Company's expense. The Company accepts liability for any damage to an Applicant's/Customer's premise caused by such extensions.



**5. CUSTOMERS' SERVICE INSTALLATION AND CONDENSATE REMOVAL**

(a) Customers, at their own cost, shall install necessary valves and any other necessary controls or safety devices of a type approved by the Company, and shall from time to time as necessary, adjust, renew or replace the same.

(b) The proper and safe removal of steam condensate is solely the responsibility of the Customer, except if service is provided pursuant to Rate 6.

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**6. INTERRUPTIONS OF SERVICE; NOTICE; LIABILITY**

(a) The Company may, at any time, shut off steam service in case of an accident, or for the purpose of making connections, alterations, repairs, changes to the system, or for any other reason. The Company will, so far as circumstances permit, notify Customers to be affected of any interruptions in steam service.

(b) The Company's responsibility extends only to the supplying of service at the point of delivery. The Company's liability for any loss or damage from any excess or deficiency in the pressure, volume, or supply of steam, due to any cause other than willful misconduct by the Company, its agents, or employees, shall be limited to an amount equivalent to the Customer charge for the period in question. The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur.

(c) The Company shall in no event be liable for any loss or damage caused by reason of any break, leak, or other defect, in the Customer's own service or condensate pipes, lines, fixtures, or other installations. Customers are warned of the risk of damage to property and possibility of personal injury resulting from improper piping and manner of attachment or use and maintenance of steam appliances, fixtures, and apparatus. Customers are required to allow only experienced and capable steam fitters to install or to make any change, alteration, addition, or repair to Customers' service lines and Customers' service installations. Customers assume full responsibility for the steam delivered to their premises at and past the point of delivery. Customers also assume full responsibility for the operation of the apparatus, devices, and appurtenances used in connection with the service. Customers shall indemnify, save harmless, and defend the Company against all claims, demand, cost or expense for loss, damage or injury to persons or property in any manner directly or indirectly arising from connected with or growing out of the distribution or use of steam by Customer at or on Customer's side of the point of delivery or attributable to condensate formed on the Customer's side of the point of delivery.

(d) The Company shall not be required to assume ownership, control or maintenance responsibility for any mains or other pipes which are not installed by it and/or which are not built to standards required by the Company.

**7. USE OF SEAM SERVICE**

The use of service shall not be for any purpose or any place other than that stipulated in the contract. Customers shall not use service in such manner as to cause disturbances on the Company's distribution system.

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**8. NOTICE OF TROUBLE**

Customers shall notify the Company promptly of any defect in, accident to, or trouble with the service.

**9. [Intentionally left blank.]**

(C)

**10. NO ADDITIONS TO CUSTOMER'S SERVICE INSTALLATIONS WITHOUT COMPANY CONSENT**

The service connections, regulators, meters and appliances have a definite limited capacity, and no Customer may make additions to service installations without the previous written consent of the Company. Any Customer who makes additions or alterations to service installations shall be liable for any damage resulting therefrom.

**11. BILLING AND PAYMENT**

(a) Bills will be rendered and payable once each month, and usually will be rendered for a period of approximately 30 days. When the billing period is less than or more than one month, the bill may be prorated.

(b) Bills normally will be based on meter readings performed at the end of each billing period but the Company may render an appropriately marked estimated bill when a meter reading is not obtained or when the meter is defective.

The Company may render estimated bills for service where the cost of the meter and its installation would be excessive or unreasonable, considering the cost of the meter and the estimated average annual consumption that would be metered, so long as the Company can calculate with a reasonable

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degree of certainty the amount of steam being used that would otherwise be metered. Presently, the Company will apply this method only to humidification systems, in which case the following factors may be utilized to calculate usage: volume of air being moved through the building's air handlers; make-up air rates; normal average temperature and relative humidity in Harrisburg for the November through April heating season; and maintenance of a specified relative humidity at the location and during the hours of the building is in operation. Other factors may be considered if relevant to a particular location.

(c) The due date specified on the bill is not less than 15 days from the date the bill is mailed, except that for service to residential Customers, the due date is not less than 20 days from the date the bill is mailed. Delay in receipt of or failure to receive a bill does not extend the due date.

(d) Bills are considered received by the Customer when delivered at or mailed to the premises where the service is supplied to an address mutually agreed upon. Where a Customer changes his billing address and fails to notify the Company, the Customer shall remain responsible to remit payment on a timely basis. (C)

(e) Bills may be paid during business hours at the Company's office at 100 N. 10<sup>th</sup> Street, Harrisburg, PA. Payment of bills by residential Customers shall be governed in the manner prescribed in the regulations of the Commission. The Customer is responsible for payment for use up to discontinuance or termination of service. If a Customer moves and does not notify the Company that he wishes to discontinue service, that Customer remains responsible for payment for all service until notice is given and discontinuance is accomplished.

(f) In the event of discontinuance or termination of service at a residence or dwelling, the Company may transfer any unpaid balance to any new residential account of the same Customer or to a third-party guarantor's account to the extent of the deposit requirement.

(g) The Customer shall be responsible for the payment of a charge of forty (\$40.00) (I) dollars per incident or a check which has been presented to the Company for payment of any bills returned by the bank for any reason, including, but not limited to nonsufficient funds, account closed, payment stopped, two signatures required, post-dated, stale date, account garnished, or an unauthorized signature. This charge is in addition to any and all charges assessed by the bank.

**12. DEPOSITS**

(a) The Company may require deposits or guarantees satisfactory to it to secure the payment of bills as they mature. The amount of deposit shall not exceed the Company's estimate of the average bill for one billing period plus one month with a minimum of \$5.00. The Company may calculate the average bill for one billing period on the basis of the months of October through April, in lieu of a twelve month period. Interest on deposits, where applicable, is paid at the rate specified in the regulations of the Commission.

(b) The need for deposits or guarantees is based on the credit risk of an Applicant or Customer. For residential service, deposits may be provided in any manner prescribed in the regulations of the Commission; however, any service for a period of less than one hundred eighty days shall be considered temporary service. See Rule 1(c).

(c) Deposits, plus accrued interest, are refunded to residential Customers under the conditions prescribed in the regulations of the Commission.

**13. INFORMAL DISPUTES**

In the event of a dispute between a Customer and the Company regarding any bill, the Company promptly will make such investigation as required by the particular case and report the results to the Customer. When the Company has made such a report to the Customer stating the bills rendered are correct, then the Customer shall have fifteen (15) days from the date such report on which to pay the bill. If the Company determines the bill originally rendered is incorrect, then the Company will issue a corrected bill with a new payment date. Any amounts received by the Company in excess of the amount disclosed to be due by the Company's investigation of the dispute should be credited or returned to the Customer.

**14. DISCONTINUANCE AND TERMINATION OF SERVICE**

(a) Discontinuance by a Residential Customer. A residential Customer who wishes to have service discontinued shall give at least seven (7) days' notice to the Company, specifying the date on which service is to be discontinued. In absence of proper notice, the residential Customer shall remain responsible for all service rendered until the time that the Company shall have actual or constructive notice of the intended discontinuance. Discontinuance of service for other Customer classes is governed by service contracts issued pursuant to, as provided for, under the rate schedules contained in this tariff.



(b) Termination by the Company. The Company shall at all reasonable times have free access to the premises of its Customers, and shall have the right to shut off the steam and remove its property from the premises for any of the following reasons: failure to make necessary repairs, nonpayment of any bills due under the existing or any previous contract, tampering with the meter or connections, fraudulent representation in relation to the consumption of steam, vacation from the premises, denying access to the Company's meter, selling or delivering steam to other occupants of the premises without application to the Company, failure to make or increase any deposit, want of supply, waste of steam from Customer's lines or appliances, or failure to comply with or violation of Tariff Rules and Regulations.

(c) Procedures. Service may not be discontinued or terminated under any circumstances except under Commission regulations in effect and applicable at the time of such contemplated discontinuance.

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If service is terminated or discontinued at the request of the Customer, or for any of the foregoing reasons, except for repairs, want of supply and any leak of steam from Customer or the Company lines, the same person, whether an Applicant or Customer as defined at 52 Pa. Code §56.2, shall pay a \$105.00 turn-on fee for resumption of service at the same address within twelve months after discontinuance or termination. (I)

#### **15. TERMINATION OF CUSTOMER'S CONTRACT**

If (a) a writ of execution shall be issued against a Customer, or (b) the premises described or referred to in the contract as the place at which steam is to be delivered or consumed, or the personal property upon said premises is levied upon under execution, or (c) any act of assignment, filing of involuntary or voluntary petitions in bankruptcy, or any action in the court for the reorganization of any corporation, partnership or other Customer, then the steam contract, at the Company's option, may be terminated, and all claims for retail service previously provided shall become forthwith due and payable without notice from the Company, to the extent permissible under applicable bankruptcy statutes and Commission regulations.

#### **16. CONNECTION FOR SERVICE – EXTENSION OF FACILITIES**

(a) The Company will extend its facilities to a new point of delivery within its service territory if, in its judgement, (a) the service to such new point of delivery will have no adverse effect upon the availability of steam to meet the present and reasonably foreseeable volume and pressure needs of existing ratepayers and (b) the investment occasioned by the extension of facilities is warranted

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by the revenue that it reasonably expects to result from such extension. The Company reserves the right to refuse services or to impose conditions upon the extension of facilities to or the furnishing of service at any point of delivery to Customers which do not meet the foregoing requirements.

(b) Mains will be extended to all Customers in accordance with the following provisions:

1. Company Investment Per Residential Customer. The Company will make a capital investment in a main extension to serve a new Customer up to a dollar amount based on the annual consumption for an average residential Customer. Expected annual consumption will be based on estimated appliance installations and space heating requirements of the dwelling units.
2. Company Investment in Commercial and Industrial Ratepayers. Due to the diverse nature of the Company's commercial and industrial retail Customers with respect to factors influencing economic evaluations, items such as risk, reasonable economic life, and potential volumes consumed or delivered will be determined by the Company on an individual basis with input from the potential Customers. An economic feasibility study using these factors will be done by the Company to determine the maximum investment allowed for each potential Customer.

3. Extension of Mains. The cost of the main extension to a new Customer will be based on the size required to serve the new load only.
  
4. Commitment Period to Connect Steam Service. Conversion applications must be ready for steam service in three months or less.

**17. TRANSITION SERVICE**

(a) Transition Service is the facilitation of the installation of an alternative energy source on a Customer's premises, eliminating the need for the steam line connected to the Company's distribution main.

(b) The Company may, in its discretion, designate specific Customers to be eligible for Transition Service. The designation shall be based upon economic and maintenance circumstances associated with particular sections of the steam distribution system. Customers not receiving service from a targeted section shall not be eligible for Transition Service.

(c) A Customer designated for Transition Service shall have the following three options:

(i) Keep a steam based system by having the Company install a boiler on the Customer's premises. In this situation, the Company shall pay the initial cost for the acquisition and installation of a boiler (natural gas or oil), and the Customer shall be billed monthly by the Company for the acquisition and installation cost of the boiler (plus interest at the legal rate), less the Company subsidy (as determined in subparagraph 17(d) below), over a period of time to be negotiated by the Company and Customer not to exceed five (5) years. During this time, the Customer will have title to the boiler and be responsible for all fuel costs and maintenance associated with the boiler. The Company shall have a lien on the boiler. Upon the completion of payments by the Customer to the Company for the boiler, the Company's lien against the boiler shall terminate. In the event of Customer default for any reason, all monies owed by the Customer to the Company shall become due and payable immediately and the Company may seek approval from the Commission for abandonment of service. In the event of the

(C)

sale or abandonment of the serviced premises by the Customer, all monies owed by the Customer to the Company shall become due and payable immediately. The Customer's obligations under this Transition Service shall not be assignable to a third party without the express written consent of the Company.

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(ii) Convert directly to a Customer-owned steam based system or a non-steam-based system (such as an electric heat pump). In this situation, the Company shall provide a subsidy (as determined in subparagraph 17(d) below) and service by the Company shall terminate immediately upon conversion.

(iii) Continue to receive existing steam service. In this situation, the Company reserves the right to seek approval from the Commission for abandonment of service.

(d) The Company subsidy for Transition Service shall be negotiated by the Company and the Customer. The subsidy shall not exceed one thousand dollars (\$1,000.00) unless for good cause shown, in which case the subsidy shall not exceed the actual transition cost.

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**RATE 1  
GENERAL SERVICE**

**APPLICATION OF SCHEDULE**

This schedule is applicable to seasonable steam heating service from low pressure mains and, at the option of Company, to seasonal steam heating service from high pressure mains. It is also applicable to continuous 12 months of steam service from high and low pressure mains when, in Company's opinion, it can be satisfactorily supplied.

**NET MONTHLY RATE**

Application  
\$15.55 per Mlb

(I)

**STEAM COST RATE**

The net bill as determined by the above schedule shall be adjusted by multiplying all Mlbs. of steam billed by the steam cost rate determined in Rider A. Minimum bills shall not be reduced by reason of the adjustment, nor shall charges under this adjustment be a part of the monthly minimums in the above schedule.

**NET MONTHLY MINIMUM**

When both seasonal steam heating service and continuous 12 month service are rendered, the minimum charge is the sum of the minimum charge for each type of service as specified in the following paragraphs; otherwise, the minimum charge is the one applicable to the service rendered.

**CONTINUOUS 12 MONTHS SERVICE NET MINIMUM (other than seasonal steam heating)**

The monthly minimum, chargeable each and every month of the year, shall be based on the pounds of steam used during the maximum hour of use during the current month or any of the preceding 11 months, as follows:

Application

\$207.25	Minimum for the first 300 pounds of steam used during the maximum hour.	(I)
\$ 0.31	Per pound for all additional pounds used during the maximum hour.	(I)

The maximum hour of use may, at the option of the Company, be either estimated or measured.

**SEASONAL STEAM HEATING SERVICE NET MINIMUM**

The monthly minimum, chargeable only during the months of October to May inclusive, for each seasonal steam heat Customer shall be as follows:

Application

\$46.05	For the first 25,000 cu. ft. or fraction thereof of space heated.	(I)
\$ 1.54	Per 1,000 cu. ft. for the next 75,000 cu. ft. of space heated.	(I)
\$ 0.38	Per 1,000 cu. ft. for all over 100,000 cu. ft. of space heated.	(I)

**PAYMENT**

When general service bills are paid within 15 days from the date thereof, and when residential bills are paid within 20 days from the date thereof, the above net rate applies. When bills are not so paid, the gross rate applies, which includes a 2% per month late payment charge, except that for residential Customers the applicable late payment charge is 1.25% per month.

**CONTRACT PERIOD Not less than 1 year.**



**RATE 2  
HIGH PRESSURE COMMERCIAL  
AND INDUSTRIAL SERVICE**

**APPLICATION OF SCHEDULE**

This schedule is applicable to high pressure steam service under contract for commercial and industrial Customers which own and maintain a private system of distribution mains, provided that the Company shall not be obligated hereunder to supply steam in excess of 100,000 pounds during the maximum hour of use in the months of October to May, inclusive.

New services will be rendered hereunder only when the Company determines that it has adequate facilities to render such service on an economic basis.

**NET MONTHLY RATE**

\$5,142.79 For the first 25,000 pounds of demand  
\$20.57 Per 100 pounds for all additional pounds of demand  
\$8.59 Per Mlb. for all steam used

(I)

**STEAM COST RATE**

The net bill as determined by the above schedule shall be adjusted by multiplying all Mlbs. of steam billed by the steam cost rate factor as determined in Rider A. Minimum bills shall not be reduced by reason of this adjustment, nor shall charges under this adjustment be a part of the monthly minimums in the above schedule.

**DEMAND**

The demand shall be the pounds of steam supplied during the one hour period of maximum use during the current month or any preceding 11 months. In no case shall the monthly bill be based

upon a demand less than the minimum quantity then under the contract and reserved for Customer.

The demand shall be determined by measurement with continuously recording demand meters provided by the Company.

#### **PAYMENT**

The above net rate applies only when bills are paid within 15 days from the date thereof. When bills are not so paid, the gross rate applies, which includes a 2% per month late payment charge.

#### **CONTRACT REQUIRED**

A contract may be required for each qualifying new and existing Customer.

**RATE 4  
ECONOMIC DEVELOPMENT AND LOAD STABILIZATION  
POST 12/31/88**

**APPLICATION OF SCHEDULE**

This schedule is available to all Customers or Applicants for the Company's service who have multiple energy options, but only where the applicability of this schedule will enable the Company to retain load that otherwise would not be retained by the Company or to supply load that otherwise would not be supplied by the Company.

**RATE**

The rate shall be negotiated between the Company and the Customer or Applicant, and shall not be less than the Company's cost of fuel, water, and purchased steam (SCR-1a, SCR-1m, or SCR-2m) plus \$1.00 per Mlb. (C)

This schedule applies to either Rate 1 or Rate 2 customers.

**CONTRACT REQUIRED**

A contract may be required for each qualifying new and existing Customer.

**RATE 5**  
**STEAM AIR CONDITIONING**

**APPLICATION OF SCHEDULE**

This schedule is available to all Customers or Applicants for service from the Company for the purpose of steam air conditioning.

**RATE**

The rate shall be negotiated by the Company and the Customer or Applicant, and shall not be less than Rate 2's fuel and SCR-2 (Steam Cost Rate) plus \$1.00 per Mlb.

**CONTRACT REQUIRED**

A contract may be required for each new qualifying new and existing Customer.

**RATE 6**  
**CONDENSATE CONSERVATION**

**APPLICATION OF SCHEDULE**

This schedule is available to all Customers or Applicants who have the technical and logistical potential to reuse a portion of their steam condensate and to return a portion of the condensate to the Company's steam plant.

**RATE**

The rate shall be negotiated by the Company and the Customer or Applicant, and shall reflect the cost of the infrastructure and value of condensate to the Customer and the value of the condensate returned to the steam plant.

**CONTRACT REQUIRED**

A contract shall be required for each new or existing Customer.

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**RIDER A**  
**STEAM COST RATE****PROVISION FOR STEAM COST RATE**

The steam cost rate shall be supplied to each Mlb. of steam supplied under the applicable rates and riders of this Tariff.

**APPLICATION AND COMPUTATION OF STEAM COST RATE**

The steam cost rate shall be computed to the nearest hundredth of a dollar in accordance with the formulae set forth below

$$\begin{aligned} \text{SCR-1a} &= C_1/S_{1a} \pm E_{1a}/S_{1a} \\ \text{SCR-1m} &= C_{1m}/S_{1m} \pm E_{1my}/S_{1my} \\ \text{SCR-2m} &= C_m/S_{Om} + E_{2m}/S_{2m} \end{aligned} \quad (C)$$

**Where** SCR-1a = The Steam Cost Rate in dollars per Mlb. to be applied to all Small Customer Group Mlbs. of steam sold under Rate Schedules 1 and 4 (where the customer would otherwise be a Rate 1 Small Customer Group customer). The Small Customer Group includes all customers who use less than 2000 Mlbs. annually. These customers will be identified annually, and will remain in this group for the fuel year (September-August). (C)

SCR-1m = The Steam Cost Rate in dollars per Mlb. to be applied to all Large Customer Group Mlbs. of steam sold under Rate Schedules 1 and 4 (where the customer would otherwise be a Rate 1 Large Customer Group customer). The Large Customer Group includes all customers who use 2000 Mlbs. or more annually. These customers will be identified annually, and will remain in this group for the fuel year (September-August). However, if a new customer is added to the system whose projected annual usage is 2000 Mlbs. or more, that customer will be added to the Large Customer Group in the month that service is first provided. (C)

The Steam Cost Rate will be calculated monthly during the heating season (September-May) to reflect real time fuel pricing. Large Customer Group meters will be read in the last several days of the billing month. This sales volume together with an estimate of fuel costs incurred during this same period will be used for the SCR-1m calculation. During the non-heating months (June-August) the SCR-1m calculated for May will be applied to all Large Customer Group Mlbs. of steam sold.

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SCR-2m=	The Steam Cost Rate in dollars per Mlb. to be applied to all Mlbs. of steam sold under Rate Schedules 2 and 4 (where the customer would otherwise be a Rate 2 customer).	(C)
C =	Projected total cost of fuel, purchased steam, and water/sewer for the computation year.	
$C_1 =$	Total Annual Fuel Cost (“C”) less the sum of $C_{2m}$ for previous 12 months (August through July).	(C)
$C_m =$	Estimated total cost of fuel, purchased steam, and water/sewer for the computation month based on metered usage and estimated prices.	(C)
$C_{2m} =$	Estimated Rate 2 cost of fuel, purchased steam, and water/sewer for the computation month. [ $C_{2m} = C_m \times (S_{2m} / SO_m)$ ]	(C)
$C_{1m} =$	Estimated Rate 1 cost of fuel, purchased steam, and water/sewer for the computation month. [ $C_{1m} = C_m - C_{2m}$ ]	(C)
$SO_m =$	Company’s total steam send-out, in Mlbs., projected for the computation month.	(C)
$S_{1a} =$	Company’s steam sales in Mlbs., projected for the Small Customer Group under Rate 1 and/or Rate 4 (where the customer would otherwise be a Rate 1 Small Customer Group customer), during the computation year.	(C)
$S_{1m} =$	Company’s metered steam sales in Mlbs. to be billed to the Large Customer Group under Rate 1 and/or Rate 4 (where the customer would otherwise be a Rate 1 Large Customer Group customer), for the computation month.	(C)
$S_{1my} =$	Company’s steam sales in Mlbs., projected for the Large Customer Group under Rate 1 and/or Rate 4 (where the customer would otherwise be a Rate 1 Large Customer Group customer), during the computation year.	(C)
$S_{2m} =$	Company’s metered steam sales, in Mlbs., to be billed under Rate 2 and/or Rate 4 (where the customer would otherwise be a Rate 2 customer) for the computation month.	(C)
$E_{1a} =$	Actual SCR-1a net over/undercollection (O/U) balance of the cost of fuel, purchased steam, and water/sewer, as of the end of the current June billing period, including interest, plus or minus the previous period’s net O/U balance. The O/U balance for the 12 month period ending June will be computed by taking the difference between (1) total cost of fuel, purchased steam, and water/sewer prorated by Mlbs. for the Small Customer Group, and (2) SCR-1a revenue billed (excluding the E factor). Interest on overcollections will be computed monthly using the appropriate interest rate as specified in Section 1308(d) of the Public Utility Code from the month the O/U occurs to the effective month such overcollection is refunded and/or the undercollection is recouped. Customers shall not be liable for interest on net undercollections.	(C)

$E_{1my} =$  Actual SCR-1m net over/undercollection (O/U) balance of the cost of fuel, purchased steam, and water/sewer, as of the end of the current June billing period, including interest, plus or minus the previous period's net O/U balance. The O/U balance for the 12 month period ending June will be computed by taking the difference between (1) total cost of fuel, purchased steam, and water/sewer prorated by Mlbs. for the Large Customer Group, and (2) total SCR-1m revenue (excluding the E factor). Interest on overcollections will be computed monthly using the appropriate interest rate as specified in Section 1308(d) of the Public Utility Code from the month the O/U occurs to the effective month such overcollection is refunded and/or the undercollection is recouped. Customers shall not be liable for interest on net undercollections. The net O/U balance shall be refunded/recouped over a twelve-month period beginning each September.

(C)

$E_{2m} =$  Difference estimated and actual costs for previous month  $C_{2m}$ .

SCR-1a as determined above shall be prepared by the Company and filed with the Pa. PUC by August 1 of each year. SCR-1m and SCR-2m shall be prepared by the Company every month and submitted to the Pa. PUC for informational purposes only. Annual reconciliation of SCR-1m and SCR-2m will be submitted together with SCR-1a by August 1 of each year. SCR-1a rates shall become effective for service rendered during the billing periods of September through the following August, unless otherwise provided by Commission Order.

No changes in the Company's rate schedule will be required for SCR-1m and SCR-2m.

The Company shall file quarterly reports within thirty (30) days of the end of each quarter of the SCR computation year. These reports will be in such form as the Pa. PUC shall have prescribed. The third quarterly report shall be accompanied by a preliminary estimate of the SCRs for the ensuing computation year. Amounts billed for the SCRs shall not be subject to the State Tax Adjustment Surcharge set forth elsewhere in this Tariff.



SCR-1a may be revised on an interim basis subject to approval by the Commission upon determination that the effective rate will result in material over/under collections if not revised. Such interim change shall become effective thirty (30) days from the date of filing unless otherwise denied or modified by the Commission.

### **STEAM COST RATE**

Net monthly bills as determined for Rates 1 and 4 (where the customer would otherwise be a Rate 1 Small Customer Group customer) shall be adjusted by the following steam cost factor:

SCR-1a = \$6.86 per Mlb.

(D)

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**RIDER B**  
**STATE TAX ADJUSTMENT SURCHARGE**

The State Tax Adjustment Surcharge (“STAS”) is applied to charges under all rates except the Steam Cost Rate.

In addition to the charges provided in this tariff, excluding the steam cost rate adjustment, a surcharge of 0 percent will be charged for all services rendered on and after September 1, 2000, pursuant to the provisions of the State Tax Adjustment Procedure Order of the Commission dated March 10, 1970, as amended.

The above surcharge will be recomputed, using the same elements prescribed by the Commission:

- (a) Whenever any of the tax rates used in calculations of the surcharge are changed;
- (b) Whenever the utility makes effective increased or decreased rates; and
- (c) On March 31, 1971, and each year thereafter.

The above recalculation will be submitted to the Commission within ten days after the occurrence of the event or date which occasions such recomputation. If the recomputed surcharge is less than the one in effect the utility will, and if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be ten days after filing.