

SECTION I. SCHEDULE OF RATES

1.1 FILING. The Company furnishes its various services in accordance with the applicable Rules and Regulations of the Department of Public Utility Control ("The Department") of the State of Connecticut. The Company's Schedule of Rates, which includes these Rules and Regulations, is on file with the Department and is also open to inspection at the offices of the Company.

1.2 REVISION. The Schedule of Rates may be revised, amended, supplemented and otherwise changed from time to time, and such changes when effective will supersede the present Schedule of Rates.

1.3 APPLICATION. The provisions of these Rules and Regulations and of the Schedule of Rates apply to everyone receiving service from the Company without regard to whether a service application has been made by the customer or accepted by the Company under Section III hereof. Receipt of service shall constitute that the receiver is a customer of the Company as the term is used in the Schedule of Rates and in these Rules and Regulations.

1.4 RULES AND REGULATIONS. These Rules and Regulations shall be deemed to be a part of every contract for service entered into by the Company, and shall govern all classes of service where applicable, unless specifically modified by a provision or provisions contained in a particular rate or special written contract with a customer.

1.5 STATEMENTS BY AGENTS. No representative of the Company has authority to modify any rule, provisions or rate contained in this Schedule of Rates, or to bind the Company for any promise or representation contrary thereto.

1.6 DETERMINATION OF RATE. The customer's firm service rate is determined by the customer meeting the rate's specified Availability provision. The customer does not have the option to choose their firm service rate. The customer is responsible for accurately describing their gas needs and equipment and updating the Company as changes occur. Unless specifically stated to the contrary, all rates are based on the supply of service to the customer throughout the twelve months of the year and changes from one rate to another will not be made for periods of less than twelve months. The Company will not be liable for any claim that service provided to any customer might have been less expensive or more advantageous to such customer if supplied under a different rate.

SECTION II. SERVICE LIMITATIONS

2.1 CHARACTER OF SERVICE. The character of service which the Company will supply will be that available in the locality in which the service is to be furnished. Except as may be especially provided in a particular rate, the Company does not offer to supply service of non-standard characteristics.

2.2 SINGLE POINT OF DELIVERY. Where service is supplied to a customer at more than one point of delivery or metering installation, each single point of delivery or metering installation will be considered to be a separate account for the purposes of applying the Schedule of Rates, and the bill will be rendered accordingly unless a) otherwise specifically provided for in the rate, or b) if a customer is served through multiple delivery points or metering installations for the Company's own convenience.

2.3 COMPLIANCE WITH AVAILABILITY. The use of the Company's service shall not be for purposes other than those covered by the Availability provision of the particular rate under which service is supplied.

2.4 RESIDENTIAL SERVICE. Separate dwelling units whether within the same building or in separate buildings on the same premises shall be considered as separate customers and metered individually wherever practicable. If a residence is converted to more than a single dwelling unit, or if for some other reason it is impractical in the judgment of the Company to separately meter individual dwelling units, service may be supplied through one meter under the applicable residential rate.

2.5 REFUSALS TO SERVE. The Company reserves the right to refuse to supply service to new customers or to supply additional load to any existing customer if it is unable to do so under a standard rate or if it is unable to obtain the necessary equipment and facilities or capital required for the purpose of furnishing such service. In such instances, the customer has the right to pay for improvements that would make it acceptable to render service. The Company may refuse to supply service to loads of unusual characteristics which might affect the cost or quality of service supplied to other customers of the Company. The Company may require a customer having such unusual loads to install special regulating and protective equipment in accordance with the Company's specifications as a condition of service.

SECTION III. SERVICE APPLICATIONS

3.1 SERVICE APPLICATIONS. The Company may require a prospective customer to make written application for service. Such application shall be made on standard forms provided by the Company and shall include such information as the Company may deem essential to the proper supplying of service to the applicant.

3.2 PLACE OF APPLICATION. Prospective customers should make application for service at the nearest office of the Company or authorized Company representative.

3.3 SERVICE INFORMATION FROM COMPANY. Upon receipt of an application from a prospective customer setting forth the location of the premises to be served, the extent of service to be required and other pertinent information, the Company will advise the customer of the type and character of the service it will furnish, the point at which service will be delivered and the location to be provided for the Company's metering equipment.

3.4 ACCEPTANCE OF APPLICATION OR CONTRACT. If an application for service is accepted by the Company's duly authorized agent, or if service is supplied according to the provisions of such application or pursuant to contract either without modification or with supplemental agreement, it shall constitute an agreement between the customer and the Company for the supply of service. The Company may require a contribution from customers if supply of new service or additional load does not result in sufficient financial support of required capital or operating expenses. The Company reserves the right with a supplemental agreement to require terms of service, minimum bill provisions or other conditions beyond those stipulated in the applicable rate when significant capital investments are required to provide new or additional load.

3.5 SPECIAL CONTRACTS. In the event that the service desired by a customer is not available under any standard rate of the Company, such service may be obtained, in the sole discretion of the Company, through special contract with the Company to the extent permitted under applicable Rules and Regulations and provided that no discrimination against other customers would result thereby. All such special contracts are subject to review and approval of the Department.

3.6 UNAUTHORIZED USE. The use of service without notice to the Company to enable it to read its meter on the user's premises will render the user liable for any amount due for service supplied to the premises since the last reading of the meter, whether or not such reading may precede the said user's occupancy, as shown on the Company's books. Whenever any service has been obtained at any premise on an unmetered basis or any unauthorized service has been obtained at any such premises or for any other reason service has been provided to such premises to persons unknown or for which payment has not been made due to a question of customer identity, the owner of record of such premises shall be liable therefore to the Company.

SECTION IV. PAYMENT TERMS AND CREDIT

4.1 BILLING PERIOD. The normal billing period shall be that on which the particular rate is based (usually one month). If the actual billing period is longer or shorter than normal, such bills will be computed by prorating on the basis of the elapsed time.

4.2 PAYMENT FOR SERVICE. All bills for gas service, repairs to customer appliances, and other services or facilities furnished by the Company to the customer shall be due and payable upon the mailing date. Payments shall be applied first to balances for repairs and other services or facilities furnished by the Company and then to balances for gas service. Within those categories, payments shall be applied first to unpaid balances, including late payment charges, and then to current charges. The Company shall charge customers \$20.00 for each returned check.

4.3 FINAL BILL. The customer shall be liable for service taken after notice of termination has been received by the Company until such time as the meter is read and disconnected. The bill for service rendered up to the date of the last meter reading is due and payable upon the mailing date.

4.4 RECONNECTION CHARGE. A reconnection charge may be made to customers normally taking service under an all-year-round rate if the meter is disconnected and reconnected within twelve months. Reconnection charges will be based on 1) the number of months between the disconnection and reconnection of service times the applicable Rate's monthly Customer Service Charge, plus 2) the number of months between disconnection and reconnection of service times the applicable Rate's monthly Demand Charge times the Customer's monthly billing demand that existed prior to disconnection, plus 3) the Company's cost of reconnection.

4.5 INCREASE OR DECREASE IN RATE. In the case of any increase or decrease in the applicable rate to any customer authorized by the Department, the effective date of said increase or decrease shall be reflected in bills on a prorated basis to the effective date using meter readings made after said effective date, or made effective for bills rendered on and after the effective date. The applicable methodology will be determined and authorized by the Department.

4.6 LATE PAYMENT CHARGE. For accounts of the State or any political subdivision thereof, the balance of each monthly bill that has been unpaid for 60 days shall be subject to a late payment charge of 1.0 percent of such unpaid balance, including prior late payment charges.

For all other accounts, any balance that appeared on a bill having a Statement Date at least 28 days (25 days under Rate TRS) earlier than the current Statement Date shall be subject to a late payment charge. The late payment charge shall be 1.0 percent of the unpaid balance, including prior late payment charges. No late payment charge shall be applied if full payment is received by the Company or one of its payment agencies at least three working days before the next scheduled Statement Date for the account. No late payment charge shall be applied to balances of residential customers who are hardship cases, or to so much of any balance as is disputed by a customer, or to a balance that is subject to an active amortization agreement, pursuant to the provisions of Section 16-3-100 of the Regulations of Connecticut State Agencies. If the Department determines, or the customer agrees, that a disputed balance is owed, that balance shall be due and payable, without a late payment charge, upon mailing of the next regularly scheduled bill. Thereafter, the foregoing provisions shall apply to that balance unless an amortization agreement pursuant to Section 16-3-100 of the Regulations of Connecticut State Agencies, has been reached on the formerly disputed balance.

SECTION V. SUPPLY AND USE OF SERVICE

5.1 QUALITY OF SERVICE. The Company endeavors to furnish adequate and reliable service, but does not guarantee continuous service, and it shall not be liable for direct, indirect or consequential damages of any kind resulting from any stoppage, interruption, variation or diminution of service caused by the customer's acts or omissions, acts of the public enemy, acts of terrorism, a state of war, requirements of Federal, State or Municipal authorities, strikes, acts of God or the elements, accidents, operating conditions or contingencies or other causes.

When a part or parts of the transmission or distribution systems may be threatened by a condition which may affect the integrity of the supply of gas service, or when a condition of actual or threatened shortage of available energy supplies and resources shall exist, the Company may, in its sole judgment, curtail, allocate, or interrupt such service to any customer or customers. Such curtailment, allocation or interruption shall, where possible or practicable, be in accordance with the terms and conditions of any applicable energy emergency or load curtailment plan which shall be on file with the Department or other appropriate state agency from time to time or adopted by energy dispatching and control centers in which the Company is a participant.

The Company does not undertake to regulate the pressure of its service more closely than is standard commercial practice. If the customer requires regulation of pressure that is more refined, they shall furnish, install, maintain and operate the necessary apparatus at their own expense.

The Company cannot be and is not responsible for any loss or damage (direct, indirect or consequential) to any person or property resulting in any way from any interruption of service or any change in characteristics of service, regardless of the cause of such interruption or change.

5.2 SUSPENSION OF SERVICE FOR REPAIRS. The Company reserves the right to curtail or temporarily interrupt from time to time the customer's service in order that repairs, replacements or changes may be made in the Company's facilities either on or off the customer's premises. The customer will normally be notified in advance to the extent practicable except in cases of emergency. Nothing in this Section V shall be deemed to require the Company to make such repairs, replacements or changes at times other than the Company's normal business hours.

5.3 RESALE OF SERVICE. Any service rendered is furnished by the Company to the customer for the purpose and class of service specified, such service shall not be resold to others or used for other purposes. This rule does not apply to duly authorized public utility companies which purchase service from the Company at wholesale.

5.4 RESUPPLY OF SERVICE. When service is resupplied to others by a retail customer of the Company, each building or premises may be considered as a separate customer, and the service will be furnished to the tenants as an incident to tenancy with the cost included as an integral part of the rent. The same rule shall apply to the greatest extent possible in the case of service supplied to any condominium or homeowner's association, where the cost of such service shall be incidental to the association's fees to its members. Resupply of service will require prior written consent of the Company.

SECTION VI. CUSTOMER'S INSTALLATION

6.1 SUITABILITY OF APPARATUS. All of the customer's apparatus shall be suitable for compatible operation with the service supplied by the Company, and the customer shall not use the service supplied for any purpose or with any apparatus which would cause a disturbance on the mains or system of the Company sufficient to impair or render unsafe the service supplied by the Company to its other customers. The customer shall be liable for any damage resulting to the Company's apparatus or facilities or to other customers caused by failure to comply with any provision of this Section VI.

6.2 COMPLIANCE WITH ORDINANCES. Before the Company will furnish service, the customer shall comply with all applicable ordinances, codes and requirements of Federal, State or Municipal bodies and may be required to furnish to the Company satisfactory evidence of such compliance.

6.3 STATEMENT OF INSTALLER. Where the Municipal authorities issue no inspection certificate, the Company may require a written statement from the installer of the piping or other similar facilities that the same are suitable and proper for the safe and satisfactory reception and use of the service to be furnished and are in accordance with applicable building and safety codes.

6.4 RESPONSIBILITY OF CUSTOMER. In all cases the customer is responsible for maintaining facilities and appliances that are suitable and proper for the safe and satisfactory reception and use of the service to be furnished. Any effort of the Company to promote this condition is merely assistance rendered to the customer and shall not be deemed an assumption of liability on the part of the Company.

All apparatus or facilities provided by the Company to supply service shall remain its sole property whether or not affixed to the customer's property, and shall be returned by the customer in the condition received, ordinary wear and tear excepted. Any damages caused by the customer to the Company's property (including damage occurring as a result of the customer's failure to take reasonable precautions to protect such property from damage) shall be paid by the customer.

If the use of the property changes after the Company has installed its facilities for rendering service and such new use may endanger the gas facilities or be in violation of any applicable statute, regulation or other governmental orders, it shall be the responsibility of the customer to bear the cost of all relocation and/or repairs.

6.5 LIABILITY OF THE COMPANY. Service is delivered to the customer at the point where the service connection maintained by the Company terminates. The Company shall not be liable for direct, indirect or consequential damages of any kind, whether resulting from injuries to persons or property or otherwise, arising out of or that may be traceable to trouble or defects in the apparatus, piping, facilities or equipment or to any other cause occurring beyond the point where the service connection of the Company terminates. Liability, if any, for such damages shall be that of the customer.

6.6 CHANGES IN CUSTOMER'S CONDITIONS OR INSTALLATION. The customer shall give advance notice to the Company of any proposed change in the customer's load or other conditions of use or of any change of purpose or location of his installation. Such change in the customer's service conditions or installation shall not be made until such notice has been given and permission has been received from the Company. Failure to give notice of such changes shall render the customer liable for any damage to the meters or other apparatus and equipment of the Company caused by the changed conditions or installation.

SECTION VII. CUSTOMER'S SERVICE INSTALLATION

7.1 RIGHTS OF WAY. The Company shall not be required to extend its facilities for the purpose of rendering service or render service unless and until it has satisfactory rights of way or easements to permit the installation, operation and maintenance of its facilities. The customer, without expense to the Company, shall grant or secure for the Company such rights of way or easements whether across property controlled by the customer or by others.

7.2 RIGHTS ON CUSTOMER'S PREMISES. In accepting service the customer shall thereby agree to furnish the Company, without charge, a suitable location for all of the property and equipment of the Company necessary in furnishing such service. The Company shall have access to the customer's premises at all reasonable times for the purpose of installing, reading, inspecting, repairing, removing, replacing, disconnecting, or otherwise maintaining its meters, equipment, and facilities, and for all other proper purposes.

SECTION VIII. DEFINITIONS

- **Actual Delivered Volumes** - The amount of Customer Owned Gas transported to the Company's Delivery Point(s) by or on behalf of Customers to one or more distribution points.
- **Base Load (BL)** - That portion of a Customer's load which is not affected by temperature.
- **Billing Period, Billing Month and Month** - The period beginning at a fixed hour local time on the day of cycle reading for that Customer's billing cycle and ending at the same fixed hour local time on the cycle reading day of the next billing cycle month. The fixed hour local time will be consistent with applicable industry standards.
- **Conservation Adjustment Mechanism (CAM)** – The charge on firm service customers' bills that funds the expansion of conservation programs beyond the level included in base Delivery Rates.
- **Customer** – for the purposes of these Definitions, Customer may refer to either a customer of the Company's or a TRS Operator.
- **Customer Owned Gas or Customer's Gas** - Gas that the Customer has: 1) acquired and retains title to by reason of having purchased the gas and for which the Customer has the right to deliver to the authorized pipeline carrier; and 2) transported or caused to be transported from the point of purchase by an authorized pipeline carrier; and 3) delivered or caused to be delivered to the Company at the Delivery Point(s); and 4) can be transported under a Company transportation service rate from the point(s) of delivery by the Company to the Customer's Distribution Point(s) consistent with any and all pipeline constraints that may be imposed including quantity, timing or Operational Flow Orders.
- **Customer Use Pattern** – The Base Load and Heat Factor assigned to the Customer.
- **Delivery Point(s)** - The location(s) specified in the Service Agreement between the Company and the Customer at which the Company's facilities interconnect with the pipeline(s) transporting the Customer's Gas.
- **Delivery Service** – Service related to the distribution of natural gas within the Company's system to a Customer's facility.
- **Distribution Point(s)** - The location(s) where the Company's gas distribution facilities interconnect with the transportation customer's facilities and where the Company and the Customer have agreed that transported gas shall be delivered. Such Distribution Point(s) shall be specified in the Service Agreement between the Company and the Customer.
- **Gas Day, Day or Daily** - Consecutive period of 24 hours consistent with applicable industry standards.
- **Gate Station(s)** – see Delivery Point(s).
- **Heat Factor (HF)** – When multiplied by Heating Degree Day (HDD), represents the portion of the Customer's load which is affected by temperature.
- **Heating Degree Day (HDD)** – The number of degrees Fahrenheit on any one day that the average temperature is less than 65°F.

- **MDQ** - The maximum daily quantity which the Company agrees to deliver to the Customer's Distribution Point(s) on a daily basis, as specified in the Service Agreement.
- **Monthly Cash Out** - The end of month reconciliation of charges for the monthly imbalance volumes.
- **Monthly Imbalance Volumes** - The accumulated difference between Total Deliveries and usage at the end of each month.
- **Overdelivery** - Actual Delivered Volumes which are greater than Scheduled Nominated Volumes to the designated Delivery Point(s), for any reason.
- **Overtake** - Customer's usage which is in excess of the Total Deliveries, over the relevant period.
- **Operator** - An approved supplier of gas delivering gas supplies to a customer or pool(s) of customers using Rates 03, 10, 20, 30, 36 or IS or any customer acting as its own supplier.
- **Operator Agreement** - Agreement between the Company and the Operator under which the Company agrees to accept gas delivered into its Gate Station(s) by the Operator and to redeliver such gas supplies to the Operator's Pool of customers on the Company's Rates 03, 10, 20, 30, 36 or IS.
- **Purchased Gas Adjustment (PGA) Clause** – The PGA Clause establishes the total Supply Charge, for each applicable rate, as approved monthly by the Department of Public Utility Control.
- **Sales Services Charge** – The rate associated with the recovery of on-site production and storage plant associated with the provision of gas supply, as well as certain gas supply related asset costs.
- **Scheduled Nominated Volumes or Scheduled Daily Volume** - The amount of Customer Owned Gas scheduled to a Delivery Point(s) by or on behalf of Customers to be transported by the Company to one or more Distribution Point(s). The transporting pipeline shall confirm such scheduled nominations for the relevant period.
- **Service Agreement** - Agreement between the Company and the Customer (and Operator as applicable) that establishes terms and conditions relative to receiving service under the applicable rate.
- **Supply Charge** – Cost for physical gas supply, including, but not limited to, costs of pipeline capacity and storage, as well as physical gas commodity.
- **Total Deliveries** – All deliveries made by or on behalf of the Customer, including Actual Delivered Volumes and standby and/or penalty commodity volumes, if applicable.
- **Transportation or Transportation Service** - Transportation of Customer Owned Gas by the Company for or on behalf of a Customer in accordance with the Company's Rates and Terms and Conditions.
- **Transportation Services Charges** – The rates associated with the net recovery of gas supply related costs incurred by the Company on behalf of firm transportation customers, as well as with the recovery of on-site production and storage plant associated with the provision of gas supply, including certain gas supply related asset costs.

- **Unaccounted-for Percentage** - The difference between the sum of all input quantities of gas received into the Company's system and the sum of all output quantities of gas delivered by the Company via sales service, transportation service or otherwise. Such quantities are used in the determination of transportation losses.
- **Underdelivery** - Actual Delivered Volumes which are less than Scheduled Nominated Volumes to the designated Delivery Point(s), for any reason.
- **Undertake** - Customer's usage which is less than the Total Deliveries, over the relevant period

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