

**Rider 17. Reserved for Future Use**

*(Reserved for Future Use)*

### Rider 18. Base Distribution Revenue Offset Rider

Pursuant to Order No. 89678 in the Company’s Multi-Year Plan (“MYP”), the Base Distribution Revenue Offset Rider serves to provide distribution customers with accelerated tax benefits as a reduction to the distribution base rate increase authorized by the Commission.

For certain years as approved by the Maryland Public Service Commission (the “Commission”), the Base Distribution Revenue Offset Rider rate is calculated for each Rate Schedule and is calculated as the difference in revenue before the MYP allocated increase, adjusted for billing determinant changes for Rate Schedules subject to gas Rider 8-Monthly Rate Adjustment, and the revenue after the MYP allocated increase for each Rate Year. The resulting difference will be multiplied by the percentage of the revenue increase offset determined by the Commission.

The Base Distribution Revenue Offset Rider revenues and rates shall be included in base distribution revenues and base distribution rates for the purposes of calculating the test year base revenues, the change in revenues, and actual revenues in the gas Rider 8 – Monthly Rate Adjustment for applicable Rate Schedules.

The Company will file updates to this Rider at the time of the updated project list filing at least 60 days before the end of 2022 at which time the Commission will determine the percentage of the MYP revenue increase to be offset for subsequent Rate Years of the MYP, if any. For Rate Year 2 (2022), the Company will offset 100% of the authorized Rate Year 1 and Rate Year 2 base distribution revenue increase in January and 50% of the authorized Rate Year 1 and Rate Year 2 base distribution revenue increase in February through December.

The following Tax Credit Offset Rider rates will be effective January 1, 2022 – December 31, 2022.

Rate Schedule	Customer Charge Offset (\$/month)		Delivery Price Offset (\$/therm)		Demand Price Offset (\$/therm)		Optional Firm Delivery Service Offset (\$/therm)	
	01/01/2022 – 01/31/2022	02/01/2022 – 12/31/2022	01/01/2022 – 01/31/2022	02/01/2022 – 12/31/2022	01/01/2022 – 01/31/2022	02/01/2022 – 12/31/2022	01/01/2022 – 01/31/2022	02/01/2022 – 12/31/2022
D	(\$1.00)	(\$0.50)	(\$0.0667)	(\$0.0334)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
C	(\$1.70)	(\$0.85)	First 10,000 therms: (\$0.0794) All over: (\$0.0421)	First 10,000 therms: (\$0.0396) All over: (\$0.0211)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
IS	\$0.00	\$0.00	(\$0.0061)	\$(0.0022)	(\$0.2427)	(\$0.1347)	First 10,000 therms: (\$0.0697) All over: (\$0.0368)	First 10,000 therms: (\$0.0348) All over: (\$0.0184)
ISS	(\$11.50)	(\$5.75)	(\$0.0150)	(\$0.0069)	(\$0.1002)	(\$0.0521)	First 10,000 therms: (\$0.0645) All over: (\$0.0316)	First 10,000 therms: (\$0.0322) All over: (\$0.0158)
EG	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	\$0.0000	First 10,000 therms: (\$0.0604) All over: (\$0.0275)	First 10,000 therms: (\$0.0302) All over: (\$0.0138)